

RULES OF ORDER OF THE BOARD OF DIRECTORS OF THE INTERNATIONAL ASSOCIATION OF OIL TRANSPORTERS

I. INTRODUCTORY PROVISIONS

- 1) These Rules of Order of the Board of Directors of the International Association of Oil Transporters (hereinafter only as the “**Board of Directors**“) regulate the principles and particular rules imposed on session of the Board of Directors (hereinafter as the “**Session**“) and its decision-making procedure and they are binding all members of the Board of Directors as well as other persons participating at the Session.
- 2) The Secretary General of the International Association of Oil Transporters (hereinafter only as the “**Secretary General**“) or possibly an employee at the Secretariat of the International Association of Oil Transporters, who was appointed by the Secretary General, shall execute the office of the Minute-man.

II. ORGANIZING AND CONVENING A SESSION OF THE BOARD OF DIRECTORS

- 1) The Secretariat of the International Association of Oil Transporters under management of the Secretary General (hereinafter the “**Secretariat**“) shall be responsible for organizing of each Session including the provision of relevant documents and supporting documents and also ensuring participation of persons, who will be invited at the Board of Director’s discretion, through the Secretariat, to participate at the Session pursuant to Article III., paragraph 1, of these Rules of Order.
- 2) The Chairman of the Board of Directors (hereinafter as the “**Chairman**“) shall convene, through the Secretariat, a Session as per need, but at least once per half-year. In case of his absence or if he cannot execute his office the Vice-Chairman of the Board of Directors (hereinafter as the “**Vice-Chairman**“) shall convene a session in the manner of a written invitation, which will be sent via electronic mail (hereinafter only as the “**electronic manner**“) to e-mail addresses of all members of the Board of Directors and it will contain all essentials as mentioned in paragraph 4 of this Article (hereinafter as the “**Invitation**“). The Invitation shall be sent to all members of the Board of Directors at least 3 weeks before the Session is performed. If a resolution concerning a matter that cannot be suspended has to be passed at the Session, the Invitation can be sent within a shorter time limit, however at least 7 days before the Session is performed. In such a case the Invitation can be sent to the members of the Board of Directors in electronic manner to their e-mail addresses.

- 3) If members of the Board of Directors having at least one half (1/2) of all voting rights require to convene a Session, both in the electronic manner with sending the request to e-mail address of the International Association of Oil Transporters (hereinafter the “**Association**”) or in written form, the Chairman or in case of his absence or if he cannot execute his office the Vice-Chairman shall be always obliged to convene a Session. If the Chairman or as the case may be the Vice-Chairman fails to convene a Session within the time limit of 2 weeks from the day of delivery of such request, these members of the Board of Directors shall have a right to empower one member of the Board of Directors, who will be entitled to convene the Session in accordance with the procedure as stated in these Rules of Order. If a resolution concerning a matter that cannot be suspended has to be passed at the Session, the time-limit pursuant to previous sentence will be 7 days.
- 4) In case of absence of a member of the Board of Directors who executes the office of the Chairman or Vice-Chairman, any member of the Board of Directors shall have a right to convene a Session in accordance with the procedure as stated in these Rules of Order. In case when according to this procedure more members of the Board of Directors convene a Session, a request by a member of the Board of Directors, which was delivered to the Secretariat at the earliest, shall be valid. Members of the Board of Directors, however in the first place the executive director of the Association, shall be obliged to convene a Session pursuant to the previous sentence, of which primary purpose will be election of a new Chairman or Vice-Chairman, at the latest within 4 weeks from the day when this situation occurred.
- 5) Invitation to the Session shall contain:
 - Place and date of performance of the Session, exact time of its opening and
 - Proposed agenda of the Session.
- 6) Every member of the Board of Directors shall have a right to propose next item on the agenda of the Session within a time limit of 10 days and in case when a resolution that cannot be suspended has to be passed at the Session, it has to be done within a time limit of 3 days from the day of dispatch of an electronic Invitation pursuant to this Article. This proposal shall be delivered within the mentioned time limit in electronic manner to e-mail address of the Association. In case when any member of the Board of Directors uses this right, a member of the Board of Directors, who convened the Session, shall be obliged at least within 7 days before performance of the Session to announce, through the Secretariat, a change in the agenda of the Session. In case when a resolution that cannot be suspended has to be passed at the Session, it has to be done at least 2 days before performance of the Session with sending it only in electronic manner to e-mail addresses of members of the Board of Directors.

- 7) Members of the Board of Directors shall send possible apologies for non-attendance at the Session in electronic manner to the e-mail address of the Association. A person, who executes the office of the Minute-man, shall acquaint before the Session a member of the Board of Directors, who commences and manages the Session, with its agenda.
- 8) The Session shall take place at headquarters of the Association. However, on the basis of a decision of the Board of Directors it is possible to perform the Session at headquarters of any of its members or in another place.
- 9) Corresponding supporting documents, which are necessary for discussion of matters on the agenda of the Session (hereinafter only as the **“Corresponding supporting documents”**), shall be sent to members of the Board of Directors at the latest together with the Invitation for the Session or in the manner of an announcement on change of the agenda of the Session pursuant to paragraph 6 of this Article, both in the documentary or electronic form or with mentioning a reference on the Invitation or with placing an announcement at duly functioning storage of electronic documents, where Corresponding documents are stored. In cases of special consideration the corresponding documents or their part, which cannot be acquired and sent pursuant to the previous sentence due to a serious obstacle, they shall be submitted to members of the Board of Directors at the very beginning of the Session.
- 10) All Corresponding supporting documents shall be sent (submitted) to the Board of Directors on principle through the Secretariat, which will ensure their sending (submission) to members of the Board of Directors in any of manners as mentioned in the previous paragraph. Submission of the Corresponding supporting documents at the Secretariat for their sending (submission) to members of the Board of Directors, shall be done within adequate time in advance in order to observe the rules as mentioned in the previous paragraph.
- 11) A member of the Board of Directors, who convened the Session, or members of the Board of Directors, who asked for convening the Session pursuant to paragraph 3 of this Article, or members of the Board of Directors, who used their right to propose next item on the agenda of the Session pursuant to paragraph 6 of this Article, and the Secretary General, shall be responsible for sending (submission) of Corresponding supporting documents to members of the Board of Directors pursuant to paragraph 9 of this Article.
- 12) Supporting documents and other documents to be discussed at the Session shall only serve for internal purposes of the Association and shall not be used by members of the Board of Directors for other purposes, unless decided otherwise by the Board of Directors. This shall not apply to supporting documents and other documents that by their nature are public accessible and as concerns certain third persons supporting documents and other documents that are determined for these third persons or they concern them.

III. COURSE OF SESSION OF THE BOARD OF DIRECTORS

- 1) The Session is not open to public. However, in addition to members of the Board of Directors and a person executing the office of the Minute-man and other persons, who will be invited at discretion of the Board of Directors, through the Secretariat, to participate at the Session.
- 2) The Chairman or in case of his absence or if he cannot execute his office the Vice-Chairman of the Board of Directors or possibly a member of the Board of Directors, who convened the Session in the manner pursuant to Article II., paragraph 3 or 4 of these Rules of Order, shall open and manage the Session in this order (hereinafter as the “**Chairing Person**”).
- 3) The Session shall follow the agenda of the Session as mentioned in the Invitation or in the announcement on change of agenda of the Session pursuant to provisions in Article II., paragraph 6 of these Rules of Order. The Board of Directors shall approve the agenda of the Session at opening of the Session with having a right to make a change of the agenda at the course of the Session (for example put next items on the agenda or delete original items on the agenda). If a change of the agenda of the Session has to be made in the manner of inclusion of new items, it shall be done only by decision of the Board of Directors if it is possible to make a qualified decision on a newly added item on the agenda of the Session and with adequate awareness, in particular with regard to availability of all corresponding supporting documents to members of the Board of Directors, so that they could make such decision with adequate level of awareness. In such a case provisions in Article II., paragraph 10, shall apply adequately. Members of the Board of Directors, who initiated voting on inclusion of new items on the agenda of the Session, and the Secretary General, shall be responsible for submission of such supporting documents. The Board of Directors shall be responsible to include on the agenda of the Session and discuss in form of items on the agenda of the Session matters, of which discussion is required by the assembly of the Association (hereinafter as the “**Assembly**”).
- 4) The Chairing Person invites discussing persons to speech in the order, in which they asked to speak at discussion on individual items on the agenda of the Session. They can discuss only on the item on the agenda of the Session, which is the subject-matter of discussion.
- 5) When managing the Session, the Chairing person shall be obliged:
 - a) Manage the Session in compliance with the agenda of the Session and these Rules of Order;
 - b) Ensure in form of items on the agenda of the Session discussion of matters, which were submitted to the Board of Directors;
 - c) Make decisions on disputable matters associated with the course of the Session.

- 6) After exhaustion of the agenda of the Session with it that some items on the agenda of the Session can be shifted to the next Session or in case when the Board of Directors does not continue to be quorate or from its beginning it is not quorate pursuant to provisions in Article IV., paragraph 2 of these Rules of Order, the Chairing person shall terminate the Session.

IV. DECISION-MAKING PROCEDURE OF THE BOARD OF DIRECTORS

- 1) Every member of the Board of Directors has one vote for voting of the Board of Directors.
- 2) The Board of Directors is quorate, when its members having at least one half (1/2) of all voting rights are present. If the Chairing person finds that the Board of Directors does not have a quorum, he shall convene a new Session in accordance with the procedure as mentioned in these Rules of Order. This new Session will have the same agenda and it shall take place within the time limit of 3 weeks from the previous Session, however at the earliest 7 days after the previous Session. In such a case provisions in Article II, paragraph 3, second sentence, shall apply adequately. The Board of Directors, which was convened in this manner, shall have a right to pass a resolution independently on number of present members of the Board of Directors. .
- 3) At least two thirds (2/3) of votes of all present members of the Board of Directors are necessary to pass a resolution of the Board of Directors. Provisions in Article VIII., paragraph 4, second sentence, and Article VIII., paragraph 8, letter c, of the Constitution of the Association, are not hereby affected.
- 4) It shall be voted on proposals of members of the Board of Directors to individual items on the agenda of the Session in the order, in which they were submitted. If a proposal passed, it shall not be voted on other proposals to the item on the agenda of the Session subject-matter to discussion.
- 5) If none of submitted proposals to individual items on the agenda of the Session passed, the Chairing person will terminate discussion on relevant item on the agenda of the Session, with the exception as mentioned in paragraph 8 of this Article.
- 6) If the Board of Directors does not decide on ballot, it shall be voted by acclamation; such resolution shall be voted by acclamation. Voting by acclamation shall be performed with putting hand up, eventually with approving verbal manifestation. Ballot shall be performed with using ballot papers.
- 7) At voting the Chairing person shall announce the commencement of voting on certain item on the agenda of the Session, mention a proposal, on which it will be voted, and gives

instruction to voting. In case of voting by acclamation the Chairing person shall count up votes of voting members of the Board of Directors and shall announce, whether the proposal passed by required number of votes or not. In case of ballot every voting member of the Board of Directors shall deliver a completed ballot paper to a person, who executes the office of the Minute-man. The Minute-man shall control delivered ballot papers in terms of formal essentials and submit them to the Chairing person. On the basis of ballot papers the Chairing person shall announce results of voting together with information, whether the proposal passed by required number of votes or not.

- 8) When voting on a Chairman or Vice-Chairman it shall be proceeded as follows:
- Every member of the Board of Directors shall have a right to stand for the office of the Chairman or Vice-Chairman (provisions in Article VIII., paragraph 4, third sentence, of the Constitution of the Association, shall not be hereby affected);
 - It shall be voted on every candidate independently in such order, in which their candidacy were announced;
 - If none of candidates is elected in first round, it will be voted in second round only on such two candidates, who received maximum votes in first round or possibly on such candidates, who received identical number of maximum votes;
 - If none of candidates is elected in second round, the Chairing person will suspend the voting and discussion of members of the Board of Directors will take place. Purpose of the discussion will be to clarify and then bring individual approaches closer together in order to elect one of candidates;
 - Third round of election will take place after discussion, when the same candidates as it was in second round will stand for the office;
 - If any of candidates is elected neither in third round, the office of the Chairman and Vice-Chairman will be decided by draw. A person, who executes the office of the Minute-man, will ensure drawing in terms of technical aspects and the Chairing person will perform the drawing.
- 9) Minutes shall be drawn on the course of the Session and on passed resolutions. It shall contain:
- a) A list of members of the Board of Directors, who were present at the Session, including their signature confirming their presence (attendance list);
 - b) Agenda of the Session;
 - c) Submitted proposals and short characteristics of discussion on individual items on the agenda of the Session;
 - d) Decision on individual items on the agenda of the Session;
 - e) Results of individual voting with mentioning a number of members of the Board of Directors, who participated at voting or abstained from voting, and announcement whether relevant resolution passed or not. In case of voting by acclamation it shall be stated in the Minutes for each member of the Board of Directors, who voted, the manner how he voted;
 - f) Date of execution.

- 10) The Secretary General shall be obliged to ensure execution of the Minutes of the Session in documentary form and send its electronic version within the time limit of 15 days from the day of performance of the Session in electronic manner to e-mail addresses of all members of the Board of Directors. The Minutes in documentary form shall be signed by the Chairman or possibly Vice-Chairman and a person executing the office of the Minute-man. If the Chairman or Vice-Chairman did not execute the office of the Chairing person by any reason, it will be signed instead of him by the Chairing person. Such Minutes shall be stored at the secretariat of the Association.

V. DECISION-MAKING PROCEDURE OF THE BOARD OF DIRECTORS OUTSIDE ITS SESSION

- 1) If members of the Board of Directors having at least two thirds (2/3) of all votes agree, the Board of Directors shall have a right to pass a resolution also outside its Session. Approval of decision-making outside the Session shall be expressed in the same form in which it can be voted pursuant to paragraph 2 of this Article in framework of decision-making outside the Session, be specific at the latest simultaneously with such voting. If a member of the Board of Directors votes in framework of decision-making outside the Session or if he abstains from such voting fully or partially, both expressly pursuant to paragraph 6, letter a), of this Article, or not, it shall be considered as his approval with such decision-making outside the Session.
- 2) Voting in framework of decision-making procedure outside the Session can be performed via one of the following remote communication means:
 - a) Electronic mail or
 - b) Telephone call or video-call.
- 3) Decision-making procedure outside the Session can be initiated in the manner of call by the Chairman and in case of his absence or if he cannot execute his office also by call of the Vice-Chairman. The Chairman or in case of his absence or if he cannot execute his office the Vice-Chairman shall be obliged to initiate the decision-making procedure outside the Session, if members of the Board of Directors having at least one third (1/3) of all votes asked for that, both in the electronic manner to the address of the Association or in written form. If the Chairman or as the case may be the Vice-Chairman fails to initiate the decision-making procedure outside the Session within the time limit of 7 days from the day of delivery of such request, these members of the Board of Directors will have a right to empower one member of the Board of Directors, who will have a right to initiate the decision-making procedure outside the Session in accordance with the procedure as mentioned in these Rules of Order.

- 4) Identical rules as for passing a resolution at the Session will apply adequately to pass a resolution outside the Session, with the exception of provisions in this Article with it that:
 - a) All members of the Board of Directors shall be deemed present; and
 - b) A member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, shall be deemed as the Chairing person.
- 5) Secretariat according to instructions of a member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, will ensure all organizing activities connected with the decision-making procedure outside the Session.
- 6) At the decision-making procedure outside the Session the Secretariat shall issue on the basis of instructions from a member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, a voting draft and submit it to such member for his approval. The voting draft shall contain:
 - a) A statement whether a member of the Board of Directors approves or does not approve the decision-making procedure outside the Session or whether he abstains, fully or partly, from voting in framework of it;
 - b) Proposal of a resolution or resolutions, on which it has to be voted, together with a request for statement whether a member of the Board of Directors votes for or against passing the proposed resolution or resolutions;
 - c) Time limit, during which a member of the Board of Directors is obliged to vote. However this time limit shall not be less than 7 days from dispatch of voting paper to members of the Board of Directors pursuant to the following paragraph.
- 7) The Secretariat shall send the approved voting draft pursuant to the previous paragraph to all members of the Board of Directors in electronic manner to their e-mail addresses together with all relevant supporting documents, so that it would be possible to make a qualitative decision with adequate awareness on a proposal or proposals pursuant to the previous paragraph, both in the electronic manner or with mentioning a reference on the approved voting draft at duly functioning storage of electronic documents, where the above mentioned supporting documents will be stored. Delivery of supporting documents at the Secretariat for their sending to members of the Board of Directors shall be performed by a member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, in sufficient time in advance in order to safely observe the rule as mentioned in the previous sentence. A member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, and the Secretary General shall be responsible for sending of supporting documents to members of the Board of Directors.

- 8) In case when a member of the Board of Directors votes or as the case may be makes a statement in form pursuant to paragraph 2, letter a) of this Article, he shall send duly completed voting draft in electronic manner to e-mail address of the Association.
- 9) In case when a member of the Board of Directors votes or as the case may be he makes a statement in form pursuant to paragraph 2, letter b) of this Article, he shall make this act before an employee of the Secretariat, who will be especially designated for such act by the Secretary General, and who shall be obliged to record in electronic manner such voting (statement) and then execute a transcription of such voting (statement) in electronic form.
- 10) The Secretary General shall inform a member of the Board of Directors, who initiated relevant decision-making procedure outside the Session pursuant to paragraph 3 of this Article, and also other members of the Board of Directors in electronic manner to their e-mail addresses, whether the decision-making procedure outside the Session took place, results of voting performed in its framework, as well as information whether relevant resolution or resolutions were passed or not.
- 11) The Secretary General will record information on the decision-making procedure pursuant to this Article including information concerning results of voting as well as information whether relevant resolution or resolutions were passed or not including wording of such resolutions in Minutes of the nearest Session.

Annex to such Minutes shall consist of:

- a) Completed voting drafts, where voting (statement) of members of the Board of Directors pursuant to paragraph 8 of this Article is recorded; and/or
 - b) Transcriptions, where voting (statement) of members of the Board of Directors pursuant to paragraph 9 of this Article is recorded.
- 12) Election or discharge of the Chairman and Vice-Chairman and on appointment and discharge of Executive Director of the Association cannot be decided outside the Session.

VI. COMMON, TRANSITIONAL AND FINAL PROVISIONS

- 1) Scope and manner of publishing of individual resolutions of the Board of Directors in relation to media come under previous resolution by the Board of Directors.
- 2) As soon as the Association consists of at least 2 members, the founding member of the Association shall be obliged within 8 weeks from the day when such situation occurred to convene a Session in accordance with the procedure as mentioned in these Rules of Order, of which primary purpose will be election of a Chairman and Vice-Chairman. Until performance of such Session and consecutively election of a Chairman and Vice-Chairman the founding member of the Association will perform the office of the Chairman and Vice-

- Chairman pursuant to provisions in Article XIV., paragraph 2 of the Constitution of the Association.
- 3) As soon as a new Board of Directors is elected by the Assembly pursuant to provisions in Article XIV., paragraph 4, of the Constitution of the Association, the member of the Board of Directors, who was performing the office of the Chairman up to now, shall be obliged under precondition that he became a member of a newly elected Board of Directors to convene a Session in accordance with the procedure as mentioned in these Rules of Order within 8 weeks from the day when a new Board of Directors was elected. Primary purpose of the Session will be to elect a new Chairman and Vice-Chairman. In case when a member of the Board of Directors, who was performing the office of the Chairman up to now, did not become a member of a newly elected Board of Directors, or in case of his absence or when he cannot fulfil his obligation as mentioned above a member of the Board of Directors, who was performing the office of the Vice-Chairman up to now, shall be obliged under precondition that he became a member of a newly elected Board of Directors to convene a Session of a newly elected Board of Directors in the manner pursuant to first sentence of this Article. In case when none of members of the Board of Directors, who were performing offices of the Chairman or Vice-Chairman up to now, became member of a newly elected Board of Directors or if such member of the Board of Directors failed to convene a Session of the newly elected Board of Directors within the time limit pursuant to first sentence of this Article or in case of absence of such member of the Board of Directors any member of the newly elected Board of Directors shall have a right to convene a Session of the newly elected Board of Directors in the manner pursuant to first sentence of this paragraph. In case when according to this procedure more members of the newly elected Board of Directors convened a Session, a request by a member of this Board of Directors, which was delivered to the Secretariat at the earliest, shall be valid. Until performance of Session of the newly elected Board of Directors and consecutive election of a new Chairman and Vice-Chairman a member of the Board of Directors, who convened the Session of the newly elected Board of Directors pursuant to this paragraph, shall perform these offices. Firstly Chairman and then Vice-Chairman shall be elected at the Session of the newly elected Board of Directors.
 - 4) Members of the Board of Directors shall be obliged to ensure adequate level of protection of information, minutes, supporting documents and other documents and electronic data or access passwords, which they received in framework of execution of the office of the member of the Board of Directors. This provision shall also apply to persons, who have or had access to the above mentioned.
 - 5) These Rules of Order can be amended only on the basis of a resolution of the Assembly.