CONSTITUTION
(October 2015)

1 Form of the Association
The Association of Meter Operators ("the Association") is an unincorporated association.

2 Preliminary

Definitions

<table>
<thead>
<tr>
<th>WORDS</th>
<th>MEANINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Act”</td>
<td>means the Competition Act 1998 and any subsequent amendments;</td>
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<tr>
<td>“Affiliate”</td>
<td>means a Member Company of the Association as defined in 4.1;</td>
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<tr>
<td>“Annual Budget”</td>
<td>means the budget agreed at a General Meeting of the Association for the following period of one year;</td>
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</table>
“Association” means the Association of Meter Operators;

“Association’s Business Plan” means the business plan prepared to execute the business of the Association;

“Budgetary Control Officer” is the Committee member providing specific support to the secretariat in the development and monitoring of the Association’s financial budget;

“Chairman” means the person or persons appointed to the position as defined in 9;

“Committee” means the Committee responsible for overseeing the administration of the Association;

“Consultant(s)” means the consultants engaged to undertake business on behalf of the Association;

“Electricity Meter Operator” is any company which is qualified by ELEXON as a Meter Operator Agent in the electricity market; or operates as a statutory undertaker in respect of electricity metering outside of Great Britain to which the Committee believe there is value to membership of the Association. Is responsible for the installation and maintenance of the electricity meter;

“Full Member” means any Member Company of the Association as defined in 4.1.

“Full Member (small)” means any Member Company of the Association as defined in 4.1.

“Gas Meter Operator” is any company which is on the Ofgem Meter Asset Managers Registration Scheme with respect to the gas market and is accordingly registered and approved by the Lloyd’s Register UK with respect to that scheme; or operates as a statutory undertaker in respect of gas metering outside of Great Britain to which the Committee believe there is value to membership of the Association. Is responsible for the installation and maintenance of the gas meter;

“Large Site” means an electricity site with a metering system classed as a 100kW Metering System as defined by the BSC or a gas site with an annual consumption greater than 73,200 kWh for which a Member Company is the appointed Electricity or Gas Meter Operator.

“Member Company” means a Full Member, Full Member (small) or Affiliate Member of the Association;

“Representative” means one or more named persons chosen by a Member Company to represent the Member Company at meetings of the Association, and to provide the interface between the Member Company and the Association;
“Secretary” means the secretary to the Association as appointed by the Committee;

“Site” means the location of a gas or electricity metering system.

“Small Site” means an electricity site with a metering system not classed as a 100kW Metering System as defined by the BSC or a gas site with an annual consumption less than or equal to 73,200 kWh for which a Member Company is the appointed Electricity or Gas Meter Operator.

3 Purpose

The Association has three key priorities in order to promote the best interests of its Member Companies:

3.1 to develop consultation responses and industry guidance and provide representation on consultative bodies as may be agreed by the Member Companies from time to time;

3.2 to provide a forum for the discussion of matters relating to the meter operation business and to promote best working practices and efficiency within the industry;

3.3 to host, promote or sponsor meetings, seminars, publications or such other activities as the Member Companies may from time to time agree;

3.4 The Association and its Member Companies will at all times comply with the requirements of the Act and to not deal with any matter which will or is likely to prevent, restrict or distort competition or constitute an abuse of dominant position as construed within that Act.

4 Membership of the Association

4.1 There shall be three classes of Member Company: Full Member, Full Member (small), and Affiliate Member as defined in Schedule 1: Criteria and Relevant Charges.

4.2 Subject to Article 4.5, any company which is in the process of applying to fulfil the requirements of membership shall be eligible to be a Member Company, but such membership may be revoked if the membership criteria are not met within 12 months of application.

4.3 Notwithstanding Article 15, membership of the Association shall terminate if that Member Company:

4.3.1 ceases to be eligible for membership of the Association;

4.3.2 breaches any term of this Constitution and, in the case of a breach capable of remedy, fails to remedy the breach within period, as determined by the Committee, following notice of the breach;

4.3.3 engages in conduct that has the potential to bring the Association into disrepute;
4.3.4 fails to make any payment due pursuant to this Constitution or the arrangements for establishing or maintaining the Association within three months following notice of payment due; or

4.3.5 becomes bankrupt or enters into liquidation or has a trustee, receiver or administrator appointed in respect of all or any part of its business or otherwise ceases to carry on business.

4.4 Each Member Company is entitled to appoint up to two Representatives to attend a General Meeting of the Association.

4.5 A company shall not be admitted as a Member Company unless and until it has accepted the terms and conditions for the supply of services and shall only continue as a Member Company for so long as it continues to accept such terms and conditions.

5 Invitees and Visitors

Any individual may attend a General Meeting of the Association on the invitation of the Chairman or with the approval of the Committee, as the case may be.

6 The Committee

6.1 Subject to the powers of a General Meeting, the activities of the Association will be conducted by the Committee which will undertake such activities as are from time to time determined by the General Meeting or which are, in the opinion of the Committee, necessary as being in the interests of the Member Companies.

6.2 The Committee will seek to work on a consensus basis and if there is no consensus on a particular issue then the matter will be referred to the Member Companies either at a General Meeting or they shall be consulted by email and/or telephone.

6.3 The Committee will be responsible for overseeing the administration of the Association. In particular the Committee will carry out a review of the performance of the Consultant and Secretary, at least twice per calendar year, and will report to the Member Companies at the General Meeting.

6.4 The Committee shall be responsible for:

6.4.1 setting meeting dates of General Meetings;

6.4.2 agreeing the agenda for General Meetings and meetings of the Committee;

6.4.3 clarifying the position prior to a General Meeting if there are no nominations for Chairman and Vice Chairman and the existing Chairman and/or Vice Chairman does not wish to stand again;

6.4.4 making recommendations regarding the continued or future appointment of the Consultant and Secretary, and will carry out an exercise to review the position of the Consultant on a three yearly basis;

6.4.5 approving decisions regarding the future direction and purpose of the Association;
6.4.6 arranging for temporary cover of the Consultant’s duties in the event of his short term indisposition or absence;
6.4.7 approving the admission of new Member Companies;
6.4.8 carrying out the responsibilities and duties of the Association as set out under this Constitution;
6.4.9 agreeing the formation and terms of reference for expert workgroups as deemed necessary by the Committee.

6.5 The Committee will consist of:

6.5.1 The Chairman;
6.5.2 Those Representatives elected by the Full Members and Full Members (small) at least annually to chair expert workgroups established by the Committee;
6.5.3 One or more Representatives elected by the Full Members and Full Members (small) at the General Meeting, who shall carry out the roles and responsibilities of the Association as defined under Article 3 including the Vice Chairman as described under Article 9 of this Constitution and the Budgetary Control Officer;
6.5.4 The Secretary.

6.6 The Chairman or Vice Chairman shall chair meetings of the Committee and be responsible for ensuring that the functions of the Committee are discharged.

6.7 Representatives will be elected to the Committee for a period of one year, unless terminated by the Member Companies in a General Meeting. The appointments will be personal in nature and not as a representative of the Member Company. Members of the Committee will be eligible for re-election.

6.8 The Committee will meet quarterly or at such times as it may deem necessary. Committee business may also be conducted by telephone or email.

6.9 The Consultant will attend meetings of the Committee except where the Committee requests that attendance is not required.

6.10 If for any reason the Consultant is unable to attend a meeting or other function at which the Consultant’s presence is desirable in the interests of the Association then the Committee may choose a representative to attend on the Association’s behalf.

6.11 The Committee shall have the right to co-opt Member Companies on an ad hoc basis for any purpose and to set up any ad hoc working groups or task forces which it sees fit and which will report to it. Any material cost incurred as a result shall be endorsed by the Full Members and Full Members (small).

7 General Meetings

7.1 The Association will meet at least twice a year (“the General Meetings”) in each financial year unless the Association otherwise agrees.
7.2 Other meetings may be arranged with the agreement of the Member Companies.

7.3 A General Meeting called for the passing of a special resolution shall be called by at least 15 clear days' notice in writing. Any other meeting of the Association shall be called by at least 14 clear days' notice in writing, providing always that any meeting of the Association shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed by all the Full Members and Full Members (small) entitled to attend and vote in the case of a General Meeting. Failure to receive notice properly given shall not invalidate the consideration of the business to which the notice relates.

7.4 Each Full Member and Full Member (small) shall have one vote at a General Meeting. Where there are two Representatives for that Member Company, then the Member Company shall determine which Representative may cast its vote.

7.5 Affiliate Members shall be entitled to contribute to debate at meetings but shall not have a vote.

7.6 Unless otherwise stated, a motion will be carried by a simple majority of those Member Companies who are represented at that meeting, entitled to vote and have not declared to abstain. The Chairman will be entitled to exercise a vote as a Representative. The Chairman will have a casting vote if there is equality of vote except where the Association is voting on the re-election of the Chairman when the Chairman will stand down if a majority is not secured.

7.7 Voting will be on a show of hands unless the Association otherwise decides.

7.8 If a Full Member or Full Member (small) does not have a Representative in attendance, a written proxy vote may be lodged by that Member with the Secretary at least two working days prior to the meeting.

7.9 For a General Meeting to be quorate at least 60% of the Full Members and Full Members (small) must have a Representative present in person, by telephone, or have voted by proxy.

8 Powers of General Meeting

8.1 The General Meeting shall have the power to decide all or any of the following:

8.1.1 to approve the appointment of the Chairman;
8.1.2 to approve the appointment of the Vice Chairman;
8.1.3 to approve the appointment of the Committee;
8.1.4 to adopt any recommendation regarding the continued or future appointment of the Consultant and Secretary (referred to in Article 11);
8.1.5 to approve the Annual Budget (including secretarial costs) forecast and the subscription fees for the succeeding financial year;
8.1.6 to approve any change to the Constitution of the Association.
8.2 A General Meeting shall have the power to approve any variation to the secretarial and administrative duties of the Secretary and to approve or endorse any expenditure which is not included in, or is in excess of, any amount in the Annual Budget approved by the General Meeting.

8.3 Any motion to change the Constitution of the Association will only be carried if approved by a majority of not less the 75% of the votes cast by those Full Members and Full Members (small) who have a Representative present in person, by telephone, or have voted by proxy, and have not declared to abstain.

8.4 Any motion to amend the Constitution of the Association must be submitted in writing to the Secretary not less than 21 days prior to the General Meeting at which the proposal is to be considered. The Secretary will circulate the proposal to all Member Companies not more than 7 days thereafter.

9 Chairman and Vice Chairman

9.1 A Chairman and Vice Chairman for the Association will be appointed at the General Meeting for a term of one year.

9.2 The Chairman will (unless unavailable) chair General Meetings of the Association, meetings of the Committee, and have specific responsibility for the development and implementation of the Association’s Business Plan. The Vice Chairman will assume the duties and responsibilities of the Chairman where the Chairman is either unavailable and/or absent to carry out such duties and responsibilities.

10 Election of the Chairman

10.1 Any Representative of a Full Member or Full Member (small) may be nominated for the position of Chairman. Nominations must be received by the Secretary not less than 28 days before the date fixed for the General Meeting.

10.2 The Secretary will forward the details of the nominations to the Member Companies not less than 14 days prior to the General Meeting in accordance with Article 7.

10.3 If no nominations are received and the Chairman is willing to remain in office then the Chairman shall be re-appointed.

11 The Consultant

11.1 The Full Members and Full Members (small) may appoint or arrange for the appointment of a Consultant(s) on the recommendation of the Committee to act as the Association’s representative on such bodies as the Committee may from time to time decide.

11.2 Subject to any requirements made by the Member Companies, the terms and conditions of the appointment, including fees and expenses, shall be determined by the Committee.
11.3 Any proposal to dismiss the Consultant(s) shall be determined by a General Meeting.

11.4 Any complaint against the Consultant(s) shall be submitted in writing to the Secretary.

12 Consultant Responsibilities

12.1 The Consultant will represent the Association on all committees and at all meetings as directed by the Committee. The Consultant will act at all times in the Member Companies’ collective best interests.

12.2 The Consultant will liaise with the Committee, the Secretary, and the Member Companies at all reasonable opportunities.

12.3 The Consultant will, normally within two working days, prepare and send a report of any appropriate meeting which he has attended on behalf of the Association to all the Member Companies. The Consultant will support the Committee in ensuring that adequate reporting is carried out.

12.4 The Consultant will keep the issues affecting the Member Companies under review.

12.5 The Consultant will seek the advice of all the Member Companies on any issue of particular significance to them.

13 Secretary

13.1 The Association may from time to time by ordinary resolution authorise the appointment of any person to the office of Secretary to carry out the secretarial and administrative duties set out in the Schedule to the terms and conditions for the supply of services to the Association and will be a Member of the Committee.

13.2 The Secretary shall receive such remuneration as the Association may determine.

13.3 The Association may delegate to the Secretary any of the powers exercisable by the Association upon such terms and conditions and with such restrictions as it sees fit and may from time to time revoke, withdraw, alter or vary any of such powers.

14 Fees

14.1 The Association will be run as a non-profit making organisation. Monies will be transferred from year to year and the fees set in any year to reflect any under or over expenditure in a previous year.

14.2 The Member Companies will pay the fees to the Association according to the criteria agreed by the Member Companies in General Meeting from time to time and as set out in Schedule 1: Criteria and Relevant Charges.
15 Termination

15.1 Any Member Company may terminate its membership of the Association by giving not less than 6 months' notice in writing to the Secretary expiring on 31 March in any year.

15.2 A Member Company which terminates its membership of the Association shall not be entitled to any rebate of fees or other payments which it has made to the Association prior to the date on which its notice of termination takes effect and the Member Company shall continue to pay and be liable to pay its share of any expenditure incurred by or on behalf of the Association during the period in which it was a Member.

15.3 Termination of membership by a Member Company will not affect any accrued right, remedy, obligation or liability of that Member Company which subsists as at the date of termination of its membership.

Schedule 1: Criteria and Relevant Charges

1.1 Upon request of the Secretary, the Representative of a Member Company will declare the appropriate category of membership for the Member Company as per 1.3.

1.2 Upon receipt of the invoice, each Member Company agrees to pay its share of the annual subscription fee as outlined in Article 4 of the Constitution.

1.3 The amount at which each Member Company shall be obliged to pay towards subscription fees shall be calculated as follows:

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<thead>
<tr>
<th>Meter Operators</th>
<th>Requirement</th>
<th>Fee</th>
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<tbody>
<tr>
<td>Affiliate</td>
<td>Has fewer than 50 Large Sites and fewer than 500 Small Sites.</td>
<td>As determined by the Association from time to time</td>
</tr>
<tr>
<td>Full Member (small)</td>
<td>Has 50 Large Sites or more and has fewer than 1,000 Large Sites; or has 500 Small Sites or more and has fewer than 250,000 Small Sites.</td>
<td>50% of agreed Full Member rate</td>
</tr>
<tr>
<td>Full Member</td>
<td>Has 1,000 or more Large Sites or 250,000 or more Small Sites.</td>
<td>As determined by the Association from time to time</td>
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Where a Member Company meets the requirements of more than one membership category, the larger of the relevant membership categories shall apply.