

ARTICLES OF ASSOCIATION BHUTAN INTERNET EXCHANGE

1.0 DEFINITIONS AND INTERPRETATIONS

In these Articles:

“BIX” or “BTIX” shall mean Bhutan Internet Exchange Association. The terms “BIX”, “BTIX”, “Bhutan Internet Exchange”, and “Bhutan Internet Exchange Association” are used interchangeably and shall have the same meaning;

“Core Activity” means a necessary activity undertaken in the operation, functioning and fulfillment of an Internet Exchange within the context of furtherance of the objects specified in the Memorandum of Association;

"Member" shall be deemed to include any organization registered as a full member of Bhutan Internet Exchange after fulfilling the membership eligibility criteria specified under Schedule 1 of the Articles of Association;

“Special Member” means a member who has been registered as a member of Bhutan Internet Exchange under special consideration and whose membership fees and other contributions have been waived off in the interest of the Bhutanese Internet community;

“Member Representative” means an employee of the Member who has been nominated and authorized to represent the member in all dealings with Bhutan Internet Exchange as the focal person;

“Board Member” means the member representative elected to the Board of Bhutan Internet Exchange by the Members, in accordance with the defined board members election process, and appointed to the Bhutan Internet Exchange Board;

“Memorandum of Association (MoA)” means the document adopted by the founding Members establishing the Bhutan Internet Exchange Association with the aim of promoting the objects stated therein;

“Non-Core Activity” means an activity undertaken in furtherance to complementing the Core Activity;

“Chairman” means the highest officer of the Bhutan Internet Exchange Board elected from amongst the Board members;

“Secretary” means any board member appointed to perform the duties of the secretary of Bhutan Internet Exchange;

“Treasurer” means any board member appointed to perform the duties of the Treasurer of Bhutan Internet Exchange.

2.0 NAME & OFFICE

- 2.1 The Association's name is Bhutan Internet Exchange.
- 2.2 The Association shall have registered office at Thimphu TechPark, Wangchuktaba, Babesa, Thimphu, Bhutan.

3.0 OBJECTS

- 3.1 Bhutan Internet Exchange is established to carry out activities in fulfillment of the objects expressed in the Memorandum of Association i.e establishment and operations of Internet Exchange Points within Bhutan for the benefit of the members and the Bhutanese Internet community.

4.0 SEAL

- 4.1 Bhutan Internet Exchange shall have one official seal containing its name and logo. The seal shall represent the Association.
- 4.2 The Board members shall approve the design, making and amending of the seal.

5.0 ORGANIZATION AND MEMBERSHIP

- 5.1 The following organizations shall be deemed as members of Bhutan Internet Exchange:
 - a) Such organizations as subscribed to the Memorandum and Articles of Association before the registration thereof (founding members); and
 - b) Such other organizations as may desire to be admitted to membership and who comply with such procedures for membership as are set out by the Board from time to time; and
 - c) Special members
- 5.2 Each member admitted to membership of Bhutan Internet Exchange shall comply with the requirements of these Articles of Association, which may be amended by the Board from time to time, in addition to the membership eligibility criteria as set out under Schedule 1 of these Articles.
- 5.3 Any member may terminate membership of Bhutan Internet Exchange by giving 30 days advance notice in writing and thereupon the organization shall be deemed to have resigned and its name shall be removed from the register of members. However, the member shall make payments for any dues or contribute towards payments of any liabilities of the Association accrued before the termination of the member.
- 5.4 If any member shall fail in the observance of these Articles, MoA, or of any regulations made by the Board under powers vested in them or for other sufficient reason, the Board may suspend such member from membership, and at a future meeting of the Bhutan Internet

Exchange, notify the members of any suspended member. Further, in the absence of any resolution to the contrary being passed during the meeting, the name of such member shall be removed from the register of members, and it shall thereupon cease to be a member of Bhutan Internet Exchange.

5.5 Member shall pay annual membership fee as determined by the Board from time to time.

6.0 BHUTAN INTERNET EXCHANGE BOARD

6.1 The affairs of Bhutan Internet Exchange shall be managed by the Board.

6.2 The Board shall comprise of a minimum of five (5) and maximum of seven (7) persons including:

- i. The Chairman, elected as per Article 6.5 below.
- ii. Board members elected from among member representatives through a process as per the procedures and requirements provided in Schedule 2 of the Articles of Association. These procedures and requirements may be amended by the Board from time to time.
- iii. The Executive Director, or any one employee of the Bhutan Internet Exchange, in the capacity of Secretary of Bhutan Internet Exchange Association if such employees have been recruited. If no employees of Bhutan Internet Exchange exists, an elected member of the board shall be appointed as the Secretary of the Association.
- iv. Executive Director, or any one regular employee of the Bhutan Internet Exchange, in the capacity of Secretary of Bhutan Internet Exchange.
- v. One of the elected Board member functioning as the Treasurer of Bhutan Internet Exchange.

6.3 The Chairman, Secretary, and the Treasurer shall be the formal office bearers of the Bhutan Internet Exchange Association.

6.4 In the event there the Chairman of the Board is yet to be elected, then the Board members shall hold a meeting at which, the first item of business shall be to elect one of the Board members to act as the Chairman until a Chairman is appointed by a simple majority vote among the board members. During the same meeting, a Board member shall be appointed as treasurer of the Bhutan Internet Exchange. Subject to Article 6.2 (iii) and until the recruitment of either the Executive Director or any other employee(s) of Bhutan Internet Exchange, the meeting shall also appoint a board member to as the Secretary of the Bhutan Internet Exchange Association.

6.5 The Chairman shall be appointed for a term one year without restriction on the number of terms that he or she can be re-elected. If for any reasons, the Chairman position becomes vacant, the post shall be filled via re-election as per process stated under Article 6.5 during the immediate next Board meeting.

6.6 The Board shall have the power to remove the Chairman as Chairman and as a Board member at any time by a vote of the Board members notwithstanding any term of appointment.

7.0 PROCEEDINGS OF THE BOARD

7.1 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. A quorum of two-third members of the Board shall be required to conduct any business during the Board Meetings. Board members may participate in the Board meetings via electronic means and such participation shall be treated as presence of the Member in the Meeting for deciding the quorum requirements.

7.2 Questions arising at any meeting shall be decided by votes. Any motion shall be treated as carried forward or successfully passed if two-third of the members present in the meeting, including those participating via electronic means, support the motion. For avoidance of doubt, the votes cast via electronic means shall be deemed valid as long as the Board member has cast his vote on or before the meeting.

7.3 A Board member may, and on the request of a Board Secretary shall, at any time, summon a meeting of the Board by notice served upon the members of the Board. Notice shall be a minimum of forty eight hours, but may be a shorter time provided that all Board members agree meeting the quorum.

7.4 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions vested with the Board of Bhutan Internet Exchange under these Articles of Association.

7.5 The Board may delegate any of their powers to committees consisting of such Board member or members of the Board as they think fit, and any committee so formed shall in the execution of the powers so delegated, conform to any regulations imposed on it by the Board. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable, and so far as the same shall not be superseded by any regulations made by the Board as aforesaid and all acts and proceedings of such committees shall be reported back fully to the Board as soon as possible.

7.6 All acts undertaken in good faith by the Board or of any committee of the Board, or by member of the Board shall, notwithstanding it subsequently being discovered that there was some defect in the appointment of continuance in any such Board member acting as aforesaid, or that they or any of them were disqualified, will be valid as if every person had been duly appointed or had duly continued in office and was qualified to be a member of the Board.

7.7 Any of the Board member may participate in a meeting of the Board by means of conference telephone or any communication equipment which allows person participating in the meeting to hear each other. A person so participating in the meeting, shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

- 7.8 The Board shall keep proper minutes of all appointments of officers by the Board and of the names of the Board members present at each Board meeting and of the business proceedings of all meetings including those of the committees appointed by the Board. Any record of business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the succeeding meeting, shall be sufficient evidence, without any further proof, of the facts therein stated.
- 7.9 A resolution in writing signed by all the current Board members or of the committee of the Board, who are duly entitled to receive notice of a meeting of the Board or of such committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted.
- 7.10 The Secretary shall be present in all Board meetings.

8.0 POWERS OF THE BOARD

- 8.1 The management of the business and the control of Bhutan Internet Exchange shall be vested in the Board, who, in addition to the powers and authorities conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by Bhutan Internet Exchange.
- 8.2 The Board may engage Bhutan Internet Exchange in Non-Core Activities only where such activities are approved by votes of the Board.
- 8.3 The Board members, for the time being of the Board may act notwithstanding any vacancy in their body, provided always that if at any time the members of the Board be reduced in number below the prescribed by these Articles, it shall be lawful for the Board members available to act as the Board for the purpose of admitting new members to Bhutan Internet Exchange, filling up vacant board member positions and of summoning a meeting but for no other purposes.
- 8.4 Without prejudice to the powers and authorities conferred by these articles, it is hereby expressly declared that the Board shall be entrusted with all the affairs of Bhutan Internet Exchange in accordance with the Memorandum and terms of these Articles and in accordance with such direction as the Board members may from time to time determine including:
- a) From time to time to make and amend such regulations and bye laws as the Board think appropriate provided that the same do not contravene these Articles or amount to such an addition to or modification of these Articles as could only be made by a Special Resolution passed;
 - b) From time to time delegate such matters as the Board may consider appropriate to a committee comprising Board members or others provided always that such delegation shall in no way release the Board members or any of them from their statutory duties to Bhutan Internet Exchange.
- 8.5 The Board may, by ordinary resolution, of which special notice has been given in accordance, and notwithstanding anything in these Articles, remove any member of the Board before the

expiry of term. The Board may, subject to the provisions of these Articles or by ordinary resolution, seek nomination from members for appointment to the Board in place of a Board member removed. The term of representation of the a new person so appointed shall, in accordance with Articles, expire in the manner that would have applied to the person he or she replaced.

9.0 DISQUALIFICATION OF MEMBERS OF THE BOARD

9.1 The representation of a Member in the Board shall be vacated:

- a) If a member becomes bankrupt or insolvent or compounds with his creditors;
- b) If a member stops meeting the membership eligibility criteria;
- c) If the member representative elected to the Board becomes unsound of mind;
- d) If member representative elected to the Board is convicted of an offense, the commission of which by a member of the Board, could bring Bhutan Internet Exchange into disrepute;
- e) If the member representative elected to the Board is removed, terminated or resigned from member organization;
- f) If the member representative elected to the Board gives notice to the Chairman of the Board to the effect that he or she no longer wishes to serve as member of the Board.

9.2 A member of the Board who is in any way, whether directly or indirectly interested in a contract or proposed contract, arrangement, or dealing with Bhutan Internet Exchange, shall declare the nature of his interest at a meeting of the Board, and subject thereto, and subject to the right of the remaining members of the Board to resolve that he withdraw and not vote on the particular matter, he may be counted in the quorum present at any meeting of the Board where such contract, arrangement or dealing with the company is being considered or entered into and may vote in respect matter thereof.

10.0 GENERAL MEETINGS

10.1 A General Meeting of Bhutan Internet Exchange shall be held at least once in every calendar year as its Annual General Meeting. The time and place for the Annual General Meeting shall be as per the decision of the Board. All members, except those under suspension, shall be eligible to attend the Annual General Meeting.

10.2 The Board may, when they think fit, convene other general or extraordinary meetings based on requisition of such meetings from a majority of members, or when the Board feels that a referendum is required to for some policy decisions.

11.0 PROCEEDINGS AT GENERAL MEETINGS

11.1 No business shall be transacted at any General Meeting, except the adjournment of the meeting, unless a quorum of members is present at the time when the meeting proceeds to business. Such quorum shall consist of two-third of the total registered members including members not present physically but participating via electronic means. A member's remote participation shall be deemed valid provided such member shares his views or casts his vote on or before the meeting. No proxy representative shall be allowed to attend any General Meetings.

11.2 Every Member shall have one vote.

11.3 For any decision to be carried forward as passed during the Annual General Meeting, a two-third majority of the total existing members shall be required including the votes cast by members via electronic means provided such have been communicated by the member on or before the meeting.

11.4 Save as herein expressly provided, no person other than a member who has been entered onto the register of members shall be entitled to be present or to vote on any question.

12.0 Business Model and Income

12.1 Bhutan Internet Exchange shall operate on the principles of a non-profit making entity.

12.2 The Members of the Board shall not be entitled to such remuneration unless otherwise stated.

12.3 Any and all income of Bhutan Internet Exchange shall be treated as per the Memorandum signed between the founding members.

12.4 Auditors may be appointed and their duties regulated in the manner provided by statutory requirement under the Laws of the Kingdom of Bhutan.

13.0 INDEMNITY

13.1 Every Board member or other officer of Bhutan Internet Exchange shall be indemnified out of the assets of association and against all losses or liabilities which association may sustain or incur in or about the execution of the duties or otherwise in relation to operations and management of the business of Bhutan Internet Exchange. Every Board member or other officer of Bhutan Internet Exchange shall be also be indemnified against any proceedings whether civil or criminal in which judgment is given in his/her favour or in which he/she is acquitted or in connection with any application of Laws of the Kingdom, in which relief is granted to him or her by the Court and no other Board member or officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by Bhutan Internet Exchange Association in the exaction of the duties or in relation thereto.

14.0 AMENDMENT

14.1 The Articles may be amended, as and when considered necessary by the Board.

15.0 HEADINGS

15.1 The headings of the Articles shall not be taken as part of them or in any manner affect the interpretation of construction of the same.

16.0 COMMENCEMENT

16.1 The commencement of Bhutan Internet Exchange IX platform and its full operation shall come into force from 1st July 2018 irrespective of the date on which the Memorandum and Articles of Association were or will be signed and adopted by the founding members of Bhutan Internet Exchange.

17.0 ADOPTION

17.1 The version 1.1 of the Articles of Association is hereby endorsed by the founding members of the Bhutan Internet Exchange Association during the founding members meeting held on 22nd October 2018 and any further amendments or revision to these Articles of Association shall be entrusted to the Board of Bhutan Internet Exchange as stated in the Memorandum of Association.

— End of AoA—