

The British and Commonwealth Society of Rio de Janeiro

STATUTES

Name, Address, Purpose and Duration

- Art. 1. Under the name “The British and Commonwealth Society of Rio de Janeiro” a civil Association is hereby constituted with the purpose of representing the citizens of Great Britain and Commonwealth member countries, hereinafter styled simply BCS, for beneficent, philanthropic, cultural, social and recreational aims and for the collective welfare, as specified in Article 4 of these Statutes, with non-profit making objectives, and with financial and administrative autonomy.
- I. The registered office of the BCS is at Rua Real Grandeza No. 99, Botafogo, postcode 22281-030, City and State of Rio de Janeiro, Brazil.
- II. The BCS is duly registered with the CNPJ under number 33.716.572/0001-20 and is registered as a State Public Utility according to State Law No. 2,299 of 18 December 1973.
- Art. 2. The legal nature of the BCS may not be altered, nor its principal objectives suppressed.
- Art. 3. The BCS shall be governed by the present Statutes and by other regulations as may be established by its competent bodies.
- Art. 4. The aims and objectives of the BCS are specifically the following:
- I. (a) to provide a secure base for the British and Commonwealth community of Rio de Janeiro, and effective leadership for this community;
- (b) to provide a secure, well-organised and thriving centre that serves as a focus for a wide range of community activities;
- (c) to raise funds in support of the Society's activities.
- II. (a) to actively and directly assist in the welfare of the members of the British and Commonwealth community in Rio de Janeiro, with particular support for those facing financial difficulties;
- (b) to assist others, including the disadvantaged in Rio de Janeiro, by similar acts of charity, at the discretion of the Administrative Council;
- (c) to assist new British and Commonwealth arrivals in Rio, helping them settle into their new environment.

- III. (a) to bring together as many people as possible with links to, or an interest in, Britain and the Commonwealth by appealing to people of all ages, backgrounds and interests and linking with other international community organisations in order to promote cultural and friendly relations and mutual understanding, any activities of a political nature being expressly prohibited;
- (b) to nurture friendship and understanding between the Brazilian people and the British and Commonwealth community by encouraging the development, under the auspices of the BCS, of cultural groups, such as “The New Players”, the “Society of Choral Music”, and others that may be formed to promote cultural and friendly relations and mutual understanding between the Brazilian people and the peoples of British and Commonwealth countries, both individually and collectively, any activities of a political nature being expressly prohibited.
- IV. (a) to observe British national occasions and seek to promote those of other Commonwealth nations in order to generate an interest in British culture in Rio de Janeiro;
- (b) to assist the Consulate General and others to receive and entertain distinguished visitors from Britain;
- (c) to assist the promotion of Britain amongst the Brazilian population of Rio de Janeiro;
- (d) to provide facilities for items IV (a), (b) and (c) above and other social or recreational meetings of the BCS's members and their guests.
- V. to encourage and facilitate communication within the community, collecting and publishing news and information of interest to the existing and potential members of the BCS and distributing these items as effectively as possible.
- VI. (a) to help strengthen bonds between those British-linked organisations that deal with education, religion, culture, welfare, recreation and the environment;
- (b) to encourage companies and institutions to play a full role in the development of ongoing support of the BCS.
- VII. to administer the “Special Welfare Fund”, in accordance with the provisions of Article 35, and also to administer the “Niteroi Rest Home Fund”, in accordance with the provisions of Articles 36 and 37.
- VIII. to hold and control the properties received from the Establishment of Christ Church in accordance with the provisions of Article 38.
- IX. to receive, acquire and/or manage at any future time any properties, rights or obligations that shall be deemed by the competent bodies of the Society to be consistent with the Society's best interests and likely to further its stated aims.

Art. 5. The BCS is constituted for an indefinite period.

Art. 6. All resources received or collected by the BCS shall be used for the maintenance and development of its aims and objectives. The Administrative Council, at its discretion, may invest in the best possible way any available funds in securities or real-estate, the income of such operations being directed exclusively to the aims and objectives as determined in Article 4. The supervision of the expenditure and overseeing of the investments of the NRH Fund as referred in Article 4, item VII, Article 36 and Article 37, shall be of the competence of the NRH Fund Board of Trustees and not of the Administrative Council, as set out in Article 36.

Forum and Emblems

Art. 7. The BCS shall maintain its registered office and forum in the city of Rio de Janeiro, State of Rio de Janeiro, Brazil.

Art. 8. The emblems of the BCS shall be those approved by Administrative Council.

Membership

Art. 9. The BCS shall maintain two groups of categories of membership: that including Members, Honorary Members, Patrons and Student Members, and that of Corporate Members, none of whom are responsible for the obligations assumed by the BCS.

- I. Members shall be those who join and pay dues to the BCS. All individual members must be citizens of the countries of the Commonwealth, with right to the respective passport.
- II. Honorary Members shall be the Heads of the Consular Missions in Rio de Janeiro of Great Britain and other Commonwealth countries or the consular representatives nominated by them, the British Chaplain of Rio de Janeiro and Niteroi and such other persons as may be designated by the Administrative Council.
- III. Patrons of the BCS shall be the Heads of Diplomatic Missions of the Nations of the Commonwealth in Brazil.
- IV. Student Members shall observe the requirements set out below.
- V. Corporate Members are companies, firms or corporations who subscribe to the BCS a yearly amount established by the Administrative Council, in money or in kind. They shall receive an official BCS receipt with proof of tax exemption, and a special mention in the Year Book.

Associates

Art.10. The Society shall maintain a non-member category denominated Associate (“*colaborador*” in Portuguese). Associates are those people of whatever nationality, resident in Rio de Janeiro, who share in the aims and objectives of the Society, are entitled to vote but not to be elected to the Council of the BCS. Associates shall have the rights provided in Article 12 upon the payment of annual dues. Partners of Associates whose names are recorded with the BCS shall also be entitled to vote.

Admission

Art.11. The condition for admission as Member or Associate of the BCS shall be that a candidate is judged by the Administrative Council to be of good character and to be committed to the attainment of the aims and objectives as defined in Article 4.

- I. In the case of Members, the additional conditions detailed in item I of Article 9, shall also apply.
- II. For Associates to be formally admitted to the BCS, they must be proposed by a Member and approved by a simple majority vote in the Administrative Council, a quorum having been established, and with not more than two Council Members dissenting.
- III. The condition for admission as a Student Member shall be that the candidate holds a Student Card and is not over the age of twenty one. The candidate is either a British or Commonwealth country passport holder or a Pupil of the British School in Rio de Janeiro, or a former pupil who holds a Student Card. Student Members are not entitled to vote.
- IV. Each Corporate Member may appoint a single voting member to the BCS, who shall represent the Corporate Member and who must qualify as a member under Article 9, I, and the applicable provisions of this Article 11. Corporate Members may also name a number of non-paying Members or Associates, to be determined by the Administrative Council.

Sole paragraph: Any Member or Associate who has occasion to be employed by or receive assistance from the BCS shall, prior to such employment or assistance, automatically cease to be a Member or Associate.

Rights and Duties

Art. 12. Members have the right to:

- (i) receive all official Society publications;
- (ii) be registered as users of any official BCS Internet website and, as such, receive a password to access the members' restricted area of any such site;
- (iii) receive prior notification of BCS events;
- (iv) receive advance notification of, participate in and vote at the General Meetings.

Sole paragraph: Partners of Members whose names are recorded with the BCS under Family Membership are also Members and entitled to vote.

Art.13. The duties of the Members and Associates are:

- (a) to pay the dues promptly, as set out in Article 32 III (a);
- (b) to discharge effectively, once accepted, the office to which elected;

(c) to enhance the prestige of the BCS in every possible way and to seek to bring together and support members and institutions of the British and Commonwealth community in Rio de Janeiro within a flourishing and well organised philanthropic society that reaches out to the wider community;

(d) to uphold and abide by the provisions of these Statutes.

Sole paragraph: Honorary Members and Patrons shall not be subject to the payment of dues.

Penalties

Art. 14. The following penalties are applicable to Members and Associates: suspension or elimination from the List of Members and Associates.

(a) Those Members or Associates in arrears with the payment of their dues, shall have their social rights suspended, at the discretion of the Administrative Council.

(b) Those Members or Associates in arrears for more than one year, without justification, or those whose behaviour discredits them, shall be struck off the membership, at the discretion of the Administrative Council.

(c) Members or Associates struck off because of arrears in payment of dues may apply to rejoin the Society, subject to the prior payment of those dues and the acceptance of all the conditions of the BCS. The application will be considered by the Administrative Council and may be refused without cause.

Sole Paragraph: Any Member or Associate struck off shall have the right to appeal against such decision at the first subsequent Annual General Meeting of the BCS. A written appeal must be submitted to the BCS Office within thirty days of the decision having been communicated to such Member or Associate. The Administrative Council shall consider the appeal and may review its decision or take the appeal to the General Meeting.

Administration of the Society

Art. 15. The BCS shall be administered by an Administrative Council (hereinafter styled Council) composed of eleven individual subscribing members, subject to their prior candidacy for these posts and their subsequent election by the Society at its Annual General Meeting.

I. In addition to the above-mentioned eleven elected Council members, the following *ex-officio* members also have the right to vote: the current Head of the Consular Mission of the United Kingdom in Rio de Janeiro or the Consular representative nominated by him/her; the current British Chaplain of Rio de Janeiro and Niteroi; the British School representative and the immediate past Chair of the Council, if not already an elected member of the Council.

II. One subscribing member representing each of the other Community Institutions, as well as the Head of the Consular Missions in Rio de Janeiro of other countries of the British Commonwealth, or the Consular representatives nominated by them, may be invited to participate in Council meetings in an advisory capacity.

- III. At the Annual General Meeting two substitute Council members will be also be elected from amongst the candidates. These will substitute (in order of number of votes received) any of the five Council members elected at the meeting who ceases to occupy his/her post before the end of the mandate. In the years when an Honorary Treasurer is elected, a substitute will be elected who will replace the Honorary Treasurer in the event that he/she ceases to occupy his/her post before the end of the mandate.
- Art. 16. The right to vote at the meetings shall be limited to the elected members of the Council and the four *ex-officio* members defined in Article 15, I, except in the case of issues which are subject to vote in the General Meeting in accordance with Article 31 below.
- Sole Paragraph: The Chair in office shall have the casting vote in the event of tied voting.
- Art. 17. The five members who undertake the duties of Chair, 1st Deputy Chair, 2nd Deputy Chair, Honorary Secretary and Honorary Treasurer are denominated the Officers of the Society.
- I. The Honorary Treasurer shall be elected every two years at the Society's Annual General Meeting, in accordance with Article 20.
- II. The other four Officers shall be elected by the Council out of the remaining ten elected members of the Council, at the first meeting following the Annual General Meeting (AGM).
- Art. 18. The Council shall have powers to set up Advisory Committees under the chairmanship of a member of the BCS duly elected to this office by the Council except for the Finance Advisory Committee whose chair is the Honorary Treasurer. Any subscribing member of the BCS may be co-opted to serve on the Advisory Committees.

Administrative Council

- Art. 19. The term of office of the Council shall be continuous.
- Art. 20. The term of office of individual members of the Council shall be for two years. Five of the members will retire each year, being eligible for re-election.
- Sole paragraph: In addition to the five members to be elected each year there will be an election for the office of Honorary Treasurer every two years. The members who are candidates for this office shall be indicated separately from the others and voted specifically to that office.
- Art. 21. Candidates to fill the vacancies among the individual members of the Council shall be proposed and seconded by two members of the Society at least one week before the AGM, at which the elections will take place.
- Art. 22. Within a period of five working days after the AGM, the Community Institutions shall be invited to nominate their representatives for the period of the coming year. If no new nomination is made the previous representative member shall be deemed to continue to represent the respective Institution at Council meetings.

Art. 23. The ordinary meetings of the Council shall take place not less than 9 times per year when the reports of the Advisory Committees will be presented. Extraordinary meetings may be called when necessary. Except where otherwise specified in these statutes, the presence of 8 voting members of the Council shall constitute a quorum and resolutions shall be taken by majority vote, having regard to the provision of the sole paragraph of Article 16.

Art. 24. The Council may make proposal at a General Meeting that an elected or representative member who fails to attend four consecutive meetings, except on account of illness or other justified cause, be voted off the Council.

Sole paragraph: When, for whatever reason, a vacancy among the elected members occurs before the end of the mandate, it will be filled by the substitute elected for that purpose in accordance with Article 15, III. The substitute shall serve for the remainder of the term of the person substituted and shall have a vote.

Art. 25. The Chair of the Council will represent the Society judicially and extra-judicially. He/She shall preside over the meetings and perform such other duties as may pertain to his/her office.

Sole paragraph: The Chair may delegate his/her powers by means of a power of attorney. With the exception of powers of attorney granted to lawyers for the professional representation of the BCS, all powers of attorney must (i) state the specific purpose for which they are issued; (ii) be valid for no more than two years; and (iii) not include powers of substitution.

Art. 26. One of the Deputy Chairs, indicated by the Council, shall substitute the Chair in his/her absence.

Art. 27. The responsibilities of the Honorary Treasurer are:

- (a) to manage the funds and finances of the BCS;
- (b) to compile and present to the Council accounts and financial reports on such occasions as shall be determined by the Council from time to time;
- (c) to compile and submit accounts and financial reports for approval at the Annual General Meeting;
- (d) to ensure the publication of the BCS's accounts at such intervals, in such form, and within such time limits as are established by law;
- (e) to legalise and keep up to date the fiscal books as required by law, and to effect the payment of taxes and charges within the time limits established by law; and
- (f) to nominate with the approval of the Council a Finance Advisory Committee composed of acknowledged experts and technicians, whose opinions shall be sought by the Honorary Treasurer for the guidance of the Council.

Sole paragraph: The services of an accountant or of his legal equivalent may be contracted to provide professional assistance to the BCS.

- Art. 28. The Honorary Secretary shall be responsible for the records and registers of the BCS, excepting those books and documents which are the responsibility of the Honorary Treasurer.
- Art. 29. For the convenience of those subscribing members of the BCS who reside or may move to places distant from Rio de Janeiro and Niteroi, the Council may nominate in such localities correspondent Members who shall serve as a link between the BCS and those Members.
- Art. 30. With due regard to the terms of Articles 6, 36 and 37 hereof, the Council shall be empowered to deliberate and decide on matters that are within the purposes of the BCS although not specifically mentioned in the Statutes.
- I. In special cases the Council shall have power to raise loans, with or without guarantees, and, at the time of passing the resolution authorizing such loan or loans, the said Council shall delegate the requisite powers to any two of its members acting jointly. The disposal and movement of the funds raised under the provisions of this paragraph, subject to the strict observance of the purposes for which they were raised, shall be of the competence of the two members, to whom powers were delegated by the Council, such two members always acting jointly.
- II. The Council may decide to maintain an office for administrative purposes and engage, remunerate and dismiss employees.

General Meetings

Art. 31. General Meetings of BCS Members shall be held as follows:

- I. An Annual General Meeting shall be held each year to approve the Society's Financial Accounts, to receive the annual report from the Chair of the NRH Fund Board of Trustees, in accordance with articles 36 Item IV and 37 Item VII and to elect Council Members, according to Articles 20 and 21.
- (a) Members shall be notified by letter sent to the address on record with the BCS of General Meetings, at least 8 (eight) days in advance. A notice shall also be published in the BCS newsletter.
- (b) Paid-up members may designate another paid-up member of the Society to represent them at General Meetings, by means of a proxy form to be available from the BCS Office.
- (c) The quorum for a General Meeting at the First Call shall be one fifth of the paid-up members, in person or represented by proxy.
- (d) If the quorum is not met at the First Call, a meeting may be held upon a Second Call thirty minutes thereafter, provided that a minimum of one tenth of the paid-up members are present or represented by proxy.
- II. An Extraordinary General Meeting must be called for: (i) the removal of Officers, (ii) changes to the existing Statutes, or (iii) the dissolution of the BCS.
- (a) A vote on the above-mentioned items will only be valid if at least two-thirds of the members present approve the proposition.

(b) The quorum at the First Call for such meetings shall be an absolute majority of the paid-up members present, in person or represented by proxy.

(c) If the quorum is not met at the First Call, a meeting may be held upon a Second Call thirty minutes after the first call, provided that a minimum of one third of the paid-up members are present, in person or represented by proxy.

(d) Notification and proxy representation shall be as described in items I (a) and I (b) of this Article.

Finances

Art. 32. With due regard to the terms set forth under Articles 6, 36 and 37 hereto, the Chair of the Administrative Council, First Deputy-Chair, Honorary Secretary, and Honorary Treasurer are authorised to sign cheques, credit letters, and any other credit instrument/bond issued in the name of BCS. Likewise, these officers are also authorised to carry out any financial transaction concerning the bank accounts and investments of the BCS, provided the terms of Articles 6, 36 and 37 are duly observed by them.

I. The Council may also designate attorneys in fact, by means of a formal power of attorney prepared according to Brazilian legislation, conferring upon such representatives any or all rights detailed in this Article, for a period of no more than one year.

II. Any two signatures of the above Officers or their duly designated representatives shall be valid for the issuance of cheques or other financial instruments in the name of the BCS.

III. The activities of the BCS shall be financed by:

(a) membership dues at the rate to be determined by the Administrative Council;

(b) other contributions and donations;

(c) income derived from investments and rents; and

(d) sundry income from other sources.

Apart from the sources of income mentioned above, special funds may be constituted as follows:

(e) “Volunteers and Dependants' Fund”, which shall be governed by the original terms of reference issued at the time of its foundation and set out in accordance with Article 34;

(f) “Special Welfare Fund”, mentioned in Article 35;

(g) “NRH Fund”, mentioned in articles 36 and 37; and

(h) the incorporation or acquisition of other funds established for benevolent purposes or for the general benefit of the community.

- IV. The income arising from sources (a), (b), (c) and (d) above shall constitute the “Community Fund” at the disposal of the Council. The income arising from sources (e), (f), (g) and (h) shall be applied solely for their specific purposes as designated, and also for the payment of reasonable administrative expenses at the discretion of the Council.
- V. The Council shall have power to open, maintain and close bank accounts and shall issue Regulations covering their operation. The Council may authorise persons who are not members of the Council to operate limited bank accounts on behalf of the BCS. The Council may set up funds for specific purposes.
- Art. 33. The purposes for which the “Community Fund” may be used shall be decided by the Council by at least a $\frac{3}{4}$ majority at meetings at which not less than 8 elected members of the Council are present. In no case may the use of the “Community Fund” be voted for purposes other than to cover reasonable secretarial and administrative expenses of the BCS itself, the properties under its administration and such others envisaged by the present Statutes.

Sole Paragraph: No officer, member of the Council or of the Advisory Committees, or any other member or associate of the BCS shall receive remuneration or gratuity, and no profits, bonuses or benefits may be distributed to officers of the Council or Members of the BCS in any form or under any pretext.

Volunteers & Dependants Fund

- Art. 34. The “Volunteers & Dependants Fund” shall be administered in accordance with the “Terms of Reference” as follows:
- I. A Volunteer is:
- (a) any person who left Brazil to join H.M. Armed Forces, the Nursing Service or the Merchant Navy after 3 September 1939, and before V.J. Day, 14 August 1945;
 - (b) any person who joined the Armed Forces, the Nursing Service or the Merchant Navy whilst outside Brazil, either on leave or on business, and who would otherwise have returned to Brazil during the period mentioned in point I, (a);
 - (c) any person with parents in Brazil on 3 September 1939, and being at school outside Brazil subsequently joined Armed Forces, the Nursing Service or the Merchant Navy during the period mentioned in point I, (a).
- II. A Dependant is a Volunteer's widow or widower.
- III. Requests for assistance to volunteers or dependants shall be initiated by the Rio de Janeiro branch of the Royal British Legion and submitted to a meeting of the Council of the Society for approval, at which a representative of the Rio de Janeiro branch of the Royal British Legion shall be a voting participant. The amounts thus expended will be withdrawn from the Fund, and the end-of-year balance reduced accordingly.
- IV. Any loan authorized to Volunteers or Dependants from the Volunteer's and Dependants' Fund will be granted free of interest, but will be repaid with adjustment for inflation. The official

government consumer price inflation indices will be used for calculating repayment. Any excess of earnings over and above inflation will be transferred to the Volunteers' and Dependants' Fund.

- V. When the Council of the BCS considers, after thorough investigation, including close consultation with the Rio de Janeiro branch of the Royal British Legion, that the Fund should be wound up, there being reasonable grounds for supposing that there are no Volunteers or Dependants living to benefit from the Fund, the Assets remaining shall be handed to the Community Fund of the British & Commonwealth Society of Rio de Janeiro, to be used for the benefit of British and Commonwealth charitable institutions in Rio de Janeiro. Bearing in mind that the Fund was originally created for the benefit of ex-servicemen and ex-servicewomen it is recommended that the Council give a sympathetic consideration to the needs of the Royal British Legion when disbursing monies which originated from the Volunteers' and Dependants' Fund.
- VI. These "Terms of Reference" were amended by the Council of the Society on 27 September 2004, with the full agreement of the Advisory Committee of the Royal British Legion. They were originally agreed by the Advisory Committee of the Volunteers' and Dependants' Fund and the British & Commonwealth Society on 12 June 1972, subject to the following proviso, which still stands:

"That the Council and the Trustees of the Welfare Fund of the British and Commonwealth Society agree to alter the regulations of the Welfare Fund, in order that, in the unlikely event of the Volunteers' and Dependants' Fund becoming completely exhausted by virtue of withdrawals under point III [above], assistance to volunteers and dependants as defined in these Statutes will be rendered through the British and Commonwealth Society Welfare Fund."

Special Welfare Fund

- Art. 35. The Special Welfare Fund referred to in Article 4, paragraph VII, shall be used for welfare purposes governed in accordance with these statutes. It will be financed as described in Article 32, III, and its administration shall be conducted as follows:
- I. The fund shall be used to actively and directly assist in the welfare of the members of the British and Commonwealth community in Rio de Janeiro who are in need.
- II. Each year, the Council shall decide upon a budget to be observed during the year by the Welfare Advisory Committee, subject to a monthly maximum to be disbursed at the discretion of the Chair of the said Committee. Any disbursements exceeding the budget or the defined maximum shall require prior authorization by $\frac{3}{4}$ of the elected members of the Council. All amounts expended must be informed to the Council.
- III. In the event of the winding-up of the Society, the Special Welfare Fund shall be automatically handed over to H.B.M. Senior Diplomatic Representative in office in Brazil, for the establishment of a Welfare Fund or to be held in suspense if the purpose of the winding-up is to merge with another Society having similar aims. In such event, the Fund shall be maintained intact but always subject to the statutory regulations in force at the time of the merger.

- IV. All decisions of the Welfare Advisory Committee shall be taken by majority vote of the Committee.

NRH Fund

- Art. 36. The Niteroi Rest Home Fund (“NRH Fund”) referred to in Article 4, item VII, shall be used exclusively for the purposes described in item I below. It will be financed by donations and income from investment made with these donations. The NRH Fund will be administered as described in items II and III below.
- I. The objective of the NRH Fund is exclusively for welfare and charity in providing:
- (a) residence with moral and material support for needy persons of British citizenship, resident in the State of Rio de Janeiro, without distinction of religious beliefs;
- (b) residence and moral support for persons of sufficient means who desire to share the fellowship of persons with similar interests, and who can pay for their own maintenance.
- II. At the end of each year, in its role of supervising expenditure, the NRH Fund Board of Trustees, as defined in Article 37, shall approve a budget, with respect to income from the NRH Fund for use as defined in Article 36, I, to be observed during the following year by the Welfare Advisory Committee, including a monthly maximum to be disbursed at the discretion of the Chair of the said Committee. Any disbursements exceeding the budget or the defined maximum shall require prior authorisation of the NRH Fund Board of Trustees. All amounts expended must be informed on a quarterly basis to the NRH Fund Board of Trustees. The Welfare Advisory Committee will consider all pertinent applications and recommend the granting of benefits to those who meet the objectives of the NRH Fund, pursuant to item I above, for approval by the NRH Fund Board of Trustees. If funds are available, cases of need which fall short of the objectives may be considered, subject to the approval of the NRH Fund Board of Trustees.
- III. In its role as overseer of the financial investments of the NRH Fund, the NRH Fund Board of Trustees will provide an investment policy in writing, with specific guidelines for the management of the financial investments, to the Finance Advisory Committee of the Society which, chaired by the Honorary Treasurer of the Society, has the power to invest, realise previous investments and reinvest the monies of the NRH Fund as they deem most beneficial for the NRH Fund, provided that these transactions are in accordance with the investment policy determined by the NRH Fund Board of Trustees. The NRH Fund Board of Trustees shall receive quarterly reports on the investments and ensure, to the extent possible, that the value of original Funds donated by the Niteroi Rest Home is maintained intact in real (inflation-adjusted) terms, except in the case of events of *force majeure* or Acts of God, as defined by Brazilian law.
- IV. The NRH Fund Board of Trustees may decide to invest in projects whose objective is not purely financial, in accordance with the Fund's objects as set out in item I of this article. Such investments may not exceed 25% of the moneys available in the Fund and shall be supervised directly by the NRH Fund Board of Trustees, who will report on them to the Council of the BCS whenever requested to do so, but at least once a year. A report on such projects must also be included in the NRH Fund report given at the BCS Annual General Meeting. No investments may be made which present significant financial, legal or fiscal risks to the BCS

which, as legal owner of the Fund, would be obliged to pay any losses which exceeded the amount invested by the Fund.

- V. In the event of the winding-up of the Society, the NRH Fund shall be automatically handed over to H.B.M. Senior Diplomatic Representative in office in Brazil, for the establishment of a Welfare Fund having similar aims. In such event, the Fund shall be maintained intact but always subject to the statutory regulations in force at the time of the termination.

Art. 37. It is the duty of the NRH Fund Board of Trustees to ensure:

(a) that the financial resources of the NRH Fund are used to further its objectives as described in Article 36, I;

(b) that, to the extent possible, the monetary value (purchasing power) of the initial capital of the NRH Fund is maintained, except in the case of events of *force majeure* or Acts of God, as defined by Brazilian law, while pursuing the maximum reliable income from investments. This means that spending in any year should not exceed the NRH Fund's real income, i.e. income over and above the amount needed to raise the value of the Fund at the beginning of the year in line with the year's inflation.

- I. In order to properly and effectively discharge its duties the NRH Fund Board of Trustees will approve an annual budget of expenditures as set out in Article 36, II, determine an investment policy for the management of the financial investments as set out in Article 37, III, and meet on a regular basis as set out in items VII, VIII and IX below.
- II. In order to clarify any technical or financial issues relevant to their duties, the NRH Board of Trustees may consult with independent specialists as they deem necessary. Any fees resulting from such a consultation will be paid out of the income from the NRH Fund.
- III. The NRH Fund Board of Trustees will be composed of six members of the Society who shall be citizens of Great Britain, namely:
- First NRH Fund Trustee: initially appointed by the Chair of the BCS, selected from the officers of the outgoing Administrative Council of the Niteroi Rest Home, as recommended by the current Niteroi Rest Home Administrative Council, as of the date of the inception of the NRH Fund;
 - Second NRH Fund Trustee: initially appointed by the Chair of the BCS, selected from the officers of the outgoing Administrative Council of the Niteroi Rest Home, as recommended by the current Niteroi Rest Home Administrative Council, as of the date of the inception of the NRH Fund;
 - Third NRH Fund Trustee: initially appointed by the Chair of the BCS, selected from the officers of the outgoing Administrative Council of the Niteroi Rest Home, as recommended by the current Niteroi Rest Home Administrative Council, as of the date of the inception of the NRH Fund;
 - Fourth NRH Fund Trustee: a Member of the BCS, pursuant to latter's statutes, with experience in the Brazilian financial markets, resident in the State of Rio de Janeiro, appointed by the BCS Council and subject to the majority approval of the 1st, 2nd and 3rd NRH Fund Trustees;

- Fifth NRH Fund Trustee: a representative of the Chair of the BCS, appointed by the BCS Council from amongst the British members of the following committees: the BCS Welfare Committee, the Royal British Legion committee, the Parochial Church Council of Christ Church and subject to the majority approval of the 1st, 2nd and 3rd NRH Fund Trustees;
 - Sixth NRH Fund Trustee: the Chair of the BCS, or someone appointed by the Chair of the BCS, and subject to the majority approval of the 1st, 2nd and 3rd NRH Fund Trustees.
- IV. No person may hold more than one NRH Fund trusteeship. Should the same person be appointed to more than one trusteeship he/she shall choose which position he/she shall occupy.
- V. The First, Second and Third NRH Fund Trustees will nominate their respective substitutes or apply for renewal of their trusteeship after a maximum period of 3 years subject to the approval of the majority of the remaining members of the NRH Fund Board of Trustees. The Fourth, Fifth and Sixth NRH Fund Trustees shall be nominated annually after the BCS Annual General Meeting and appointment of a new council and are all subject to the majority approval of the 1st, 2nd and 3rd NRH Fund Trustees.
- VI. If one of the First, Second or Third NRH Fund Trustees should die or resign without nominating a successor, his/her substitute will be nominated by the remaining two of the first three trustees, subject to the approval of the majority of all the remaining members of the NRH Fund Board of Trustees.
- VII. It is the responsibility of the First NRH Fund Trustee:
- (a) to call, prepare the agenda and chair the meetings of the NRH Fund Board of Trustees;
 - (b) to inform the Finance Advisory Committee and the Welfare Advisory Committee of the decisions taken;
 - (c) to present at the Annual General Meeting of the BCS a report on the activities and performance of the NRH Fund during the previous year. This report should inform whether the Fund's value rose in line with inflation in the year, using the IGP-DI index or its successor. If not, an explanation must be submitted in conjunction with the Honorary Treasurer;
 - (d) to take whatever action is sanctioned by the NRH Fund Board of Trustees;
 - (e) to appoint an NRH Fund Trustee to be an observer on the Financial Advisory Committee and an NRH Fund Trustee to be an observer on the Welfare Advisory Committee.
- VIII. The Trustees will meet at least every quarter to approve the annual budget and monitor expenditure and to determine the investment policy and monitor investments. In the absence of the First NRH Fund Trustee meetings will be chaired by an NRH Fund Trustee selected by the First NRH Fund Trustee to replace him/her during such period. The quorum for meetings of the NRH Fund Board of Trustees will be four NRH Fund Trustees.
- IX. All decisions of the Trustees shall be taken by a simple majority vote. In the case of a drawn vote the First or Second NRH Fund Trustee, in that order, will hold the casting vote.
- X. In the interest of the effectiveness of the NRH Fund Board of Trustees, any four NRH Fund Trustees may agree to remove another Trustee from office for just cause or if he/she does not

attend two or more consecutive meetings of the Board of Trustees and, in these cases, nominate a replacement, pursuant to the terms of item III above.

- XI. If the Officers of the BCS feel that one or more NRH Fund Trustees are not carrying out their duties to satisfaction, the Council will take the following actions:
- (a) request that the NRH Fund Board of Trustees remove them from office pursuant to item X;
 - (b) in the event that the request is not carried out, the Council may appeal to the independent external committee defined in item XIII.
- XII. If, in the opinion of the NRH Fund Board of Trustees, the welfare spending or the guidelines for investment are not followed as set out in Article 36, II and III, the NRH Fund Board of Trustees may request that the Administrative Council of the Society take whatever action is required to correct the deviations. If in their opinion the actions of the Administrative Council of the Society are insufficient, the NRH Fund Board of Trustees may appeal to the Independent External Committee described in item XIII, whose decision will be binding on all parties.
- XIII. If disagreements between the BCS Officers or Council and the NRH Fund Board of Trustees cannot be resolved through internal discussions either of the parties may, as a last resort, appeal to an Independent External Committee made up of the Head of the Consular Mission of the United Kingdom in office in Rio de Janeiro, the Chair of the Rio de Janeiro Branch of the British Chamber of Commerce and Industry and the Chair of the Board of the British School of Rio de Janeiro. The decision of the committee will be binding on all parties.
- XIV. Any changes in arts. 36 and 37 of these statutes require the approval of the NRH Fund Board of Trustees.

Trustees of the Properties

Art. 38.

- I. (a) The overseeing of the properties as referred in Article 4, VIII, shall be of the exclusive competence of a Board of Trustees of the Properties, composed by six members which are:
- First Trustee: the Chair in office of the Council;
 - Second Trustee: the Head of the Consular Mission of the United Kingdom in office in Rio de Janeiro, or the consular representative nominated by him;
 - Third Trustee: the Chair in office of the Rio de Janeiro Branch of the British Chamber of Commerce in Brazil;
 - Fourth Trustee: a member of the BCS, resident in the State of Rio de Janeiro, elected annually by the First, Second and Third Trustees;
 - Fifth Trustee: a representative nominated by the governing body of the Establishment of Christ Church;

– Sixth Trustee: the Chair in office of the Board of Governors of the British School of Rio de Janeiro.

(b) If and whenever the person holding an office or representation defined in "(a)" above is not a member of the Society, the body or organization to be represented shall nominate in writing a substitute who is a member of the Society.

(c) If one of the First, Second, Third, Fifth and Sixth Trustees is unable to take up this position the body or organisation to be represented shall nominate in writing a substitute who is a member of that body or organisation and is a member of the BCS.

(d) No person may hold more than one trusteeship; wherefore, should it arise that one person is called to act as a Trustee in more than one capacity, he or she shall state the capacity in which he or she will act and the body or organization left unrepresented will nominate, in writing, a substitute who is a member of the BCS.

(e) In the event of the dissolution of the bodies or organizations whose officers or representatives are a Trustee as in "(a)" above, the remaining Trustees shall elect annually a member of the BCS to fill the vacancy, selecting where possible, a person whose experience or knowledge is germane to the representation vacant.

(f) It is a duty of the Board of Trustees to ensure the observance of the written wishes of the donor of the properties, lodged with H.M. Consul in Rio de Janeiro, in accordance with Article 4, VIII.

(g) No land or building belonging to the Society may be alienated, sold, mortgaged, leased or burdened without the unanimous consent of the First, Second, Third and Fourth Trustees. Additionally, if the land or building under consideration includes land or building rented to the Establishment of Christ Church, the consent of the Fifth Trustee is essential; and if the land or building under consideration includes land or building rented to the British School of Rio de Janeiro the consent of the Sixth Trustee is essential.

(h) If a body or organisation represented by any of the Trustees is deemed to have ceased to have significant British participation, the remaining Trustees may submit to a General Meeting a recommendation for new rules covering the appointment of Trustees of the Properties.

General Provisions

Art. 39. In the event of the need or convenience of dissolving the BCS, an Extraordinary Committee composed of the Council of the Society together with the Trustees of the Properties shall publish an opinion to be submitted to an extraordinary meeting of members of the BCS, at which a decision will be made on the dissolution of the BCS and the destination of its funds.

Art. 40. The financial year of the BCS shall run from 1st January to 31st December. The term of office of the Council shall run from the Annual General Meeting of one year to the Annual General Meeting of the following year.

Rio de Janeiro, 8 May 2007.