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Rules of Procedure of the Telematics Cooperative

As amended with effect from 28 October 2022

Telematics Cooperative

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Foreword

1 The Telematics Cooperative (hereinafter “TC”) functions as a user-funded subsidiary body under the auspices of, and reporting to, the UPU Postal Operations Council (hereinafter “POC”).

2 Within the framework of its activities, the TC shall ensure compliance with the Acts of the UPU and the relevant decisions of its governing bodies. Accordingly, any references in these Rules of Procedure (hereinafter “RoP”) to TC-related “strategies” and “business plans” shall be understood as being fully subject to and aligned with the UPU strategy and associated business plan as respectively adopted by the UPU Congress and the Council of Administration (hereinafter “CA”).

3 The UPU General Regulations and the Rules of Procedure of the POC shall be applicable to the TC, by analogy, in all cases not expressly provided for in these RoP.

4 As of the date of approval of these RoP, the activities of the TC have their main legal foundation in Congress resolution C 27/1994 and the relevant decision of the POC which, at its 1996 session, approved the establishment of the TC within its structure. In this regard, various subsequent UPU Congress resolutions (such as resolutions C 52/1999, C 66/2004, C 53/2008, C 59/2012 and C 5/2016) have been adopted concerning the organization of UPU telematics activities and related matters.

Definitions

For the purposes of these RoP, the following terms shall have the meanings defined below:

Full member	Designated operators as defined in article 2.1.6 of the UPU Constitution.
Associate member	Any postal sector entity which: i) does not fall under the definition of “designated operator” as provided for in the UPU Constitution (such as other governmental or non-governmental organizations supporting the mission and objectives of the UPU; suppliers of goods and services to the postal sector; and transportation entities); ii) is duly established on the territory of a UPU member country; and iii) is authorized by the relevant UPU governing bodies to access the UPU solutions as further defined below.
Common interest group	A group of TC members which share similar objectives and organize themselves to participate in the development of technical products and services within the framework of the TC.
Force majeure	Any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, provided that such acts arise from causes beyond the control and without the fault or negligence of the user. Incidents of civil unrest or industrial action shall not fall under this definition.
Member	Full members and associate members may also be collectively referred to as “members”.
Secretariat	The International Bureau as secretariat of the TC (in particular, through its Postal Technology Centre or an equivalent unit as decided by the Director General).
UPU solutions	Applications, products and services which are, or which may be, developed, deployed, supported and maintained under the purview of the TC by the International Bureau’s Postal Technology Centre (or equivalent unit as decided by the Director General).

Chapter I – Objectives, principles, membership and voting principles

Article 1

Membership

Membership of the TC is voluntary and open to designated operators of UPU member countries (as full members) and, subject to the specific provisions set forth herein, other postal sector entities (as associate members).

Article 2

Objectives and aims of the Telematics Cooperative

1 The objectives of the TC shall be to:

- 1.1 promote cooperation between its members in order to allow them to develop and implement common or compatible information systems and electronic communications;
- 1.2 establish a common electronic infrastructure for its members;
- 1.3 implement systems that ensure secure electronic information exchange, secure electronic payments and secure e-commerce services among members and between members and their customers;
- 1.4 implement operational and management systems in order to improve the postal services defined in the Acts of the Union;
- 1.5 establish systems that will help members become more competitive through the development of value-added services related to basic international postal services;
- 1.6 secure stable and sufficient funding of TC-approved telematics projects entrusted to the Secretariat, in order to ensure continuation of the deployment, maintenance and support activities carried out in this field.

2 On the basis of non-profit objectives and aims, the TC shall aim to share the costs and investments engaged in order to satisfy the objectives outlined above among all its members, thus achieving economies of scale and enabling all its members to access and use the resulting UPU applications, products and services developed under the purview of the TC (hereinafter “UPU solutions”).

3 To achieve the objectives set forth in § 1, the TC shall:

- 3.1 establish strategies, procedures and instruments through which it intends to achieve its objectives;
- 3.2 ensure fair access to UPU solutions for the UPU community in general and for members in particular;
- 3.3 promote cooperation between members so that they may provide their customers with a coherent set of integrated information services on a global basis;
- 3.4 involve members in the provision and support of telematics products and services under the UPU's umbrella;
- 3.5 provide the highest quality service to its members and ensure optimal organization at all times;
- 3.6 help to enhance the image of the UPU worldwide;
- 3.7 promote innovation by developing, integrating or sourcing new technologies.

Article 3

Basic principles

1 The TC's main guidelines for all its activities shall be based upon:

- 1.1 its members' trust in each other;
- 1.2 the efficiency of the work carried out within its structures;
- 1.3 sound governance and economic principles;
- 1.4 the transparency of all decisions and actions taken.

2 The TC shall provide the Secretariat with a stable financial foundation allowing it to effectively manage the development, deployment, maintenance and support of innovative telematics services for the benefit of all its members. In this regard, members may also opt to fund additional resources, with a view to full reimbursement of the Secretariat's costs, aimed at enabling the latter to provide dedicated support at specific service levels for UPU solutions.

3 As a result of their membership, members may receive specific benefits including, but not limited to, the ability to benefit from preferential conditions for the full range of UPU solutions.

4 TC members shall be able to voice their views, through formal consultation or vote, on strategic and business matters affecting the TC or the projects conducted within its structures.

5 The obligations of TC members shall include payment of the annual fee associated with each membership class and the specific fees charged to TC members making use of UPU solutions outlined in the Schedule of Charges.

Article 4

Membership classes and voting rights

1 Each full member shall be free to choose its membership class, which includes the corresponding annual membership fee and voting rights (number of votes).

2 Full members shall exercise their right to vote (weighted voting) in the plenary meetings of the General Assembly and of the User Groups.

3 The annual membership fee and number of votes corresponding to each membership class are indicated in the table below:

<i>Membership class</i>	<i>Annual fee (CHF)</i>	<i>Number of votes</i>
A (associate members only)	10,000	N/A
L ¹	2,500	1
1	5,000	1
2	10,000	2
3	25,000	5
4	50,000	10
5	75,000	15

4 A member's benefits and voting rights shall be subject to the timely payment of its annual membership fees, as elaborated in article 32.

5 A full member which, owing to changes in the United Nations classification of the least developed countries, is no longer eligible to be in membership class L, shall be notified and automatically assigned to membership class 1 at the start of the following year.

Article 5

Quorum

1 A quorum shall be required for decisions to be taken at meetings of the General Assembly, the Management Board and the User Group Management Committees.

1.1 At General Assemblies, the quorum needed for the meeting and a vote to take place shall be obtained if the full members present and full members represented constitute one half of the votes which the TC membership has the right to cast;

¹ Least developed countries according to the United Nations classification.

- 1.2 At meetings of the Management Board and User Group Management Committees, the quorum needed for the meeting and a vote to take place shall be obtained if the full members present and full members represented constitute half of the membership of the Management Board or User Group Management Committee.
- 2 Any full member which has informed the Secretariat of the name of the full member to which proxy has been given shall be considered as represented. The Secretariat shall be responsible for validating that proxy.
- 3 For any vote to amend these RoP, the quorum required shall be obtained if the full members present and represented constitute two thirds of the votes which the TC membership has the right to cast.
- 4 Full members which are present but do not take part in a given vote, or which state that they do not wish to take part therein, shall not be considered absent for the purpose of establishing the quorums required under §§ 1 and 2.
- 5 Any reference in these RoP to “attend”, “participate”, be “present”, be “represented”, “seating”, “take part” and “voting” shall be understood as also including the possibility of remote or “hybrid” (both physical and remote) attendance and representation of full members (as well as associate members and observers) at meetings of the General Assembly, the Management Board and the User Group Management Committees by electronic means, i.e. via web/video/audio conferencing facilities made available by the Secretariat to ensure active participation, including voting, in meetings.
- 5.1 The possibility of remote participation referred to in paragraph 5 above shall not apply in the event of any secret ballot, in which case full members solely availing themselves of the possibility to participate remotely shall not be counted for the purposes of quorum, nor be entitled to vote unless the appropriate notice of representation is provided to another full member attending physically in accordance with article 6.6.1.
- 6 Full members participating by means of the facilities referred to in § 5 shall also be considered as present for the determination of the quorum and for voting purposes.

Article 6

Voting principles

- 1 Decisions shall be made by consensus whenever possible. Where necessary, votes, including proxy votes, shall be taken by secret ballot or by show of hands.
- 2 Voting by correspondence (postal or e-mail ballot) shall be permissible for votes undertaken for decisions falling within the purview of the General Assembly, but solely for questions deemed to be of an urgent nature, as decided by the General Assembly or the Cooperative Management Board (hereinafter “CMB”).
- 3 Notwithstanding the foregoing, and strictly for meetings held remotely or in hybrid mode (as further defined in article 5 of these RoP), voting by show of hands shall not apply; only voting by ballot (if technical conditions permit the holding of electronic and/or physical ballots) or roll-call shall be allowed.
- 4 Only full members that do not have debts in arrears, as defined in article 32.4, shall have the right to take part in any vote, either directly or by proxy.
- 5 A full member may vote by proxy for only three full members. Proxy votes shall be notified to and registered by the Secretariat.
- 6 Regardless of the system of voting used, the secret ballot shall take precedence over any other voting procedure.
- 6.1 In the event of a secret ballot as referred to in paragraph 6 of this article, a full member participating remotely shall have the possibility, prior to such a secret ballot, of informing the Chair of the TC (verbally or in writing) that it wishes another full member physically present to represent it for the purposes of that ballot.
- 7 Votes shall be taken for or against clearly stated proposals only.

8 The vote indicated on the ballot paper of each voting full member, including votes by proxy, shall be entered by the Secretariat into a computerized system for calculating the weighted voting results according to each full member's voting rights (number of votes).

9 Voting during General Assembly meetings shall take place when specifically requested by the Chair or when a specific request for a vote has been made to the Chair by a full member and supported by at least five other full members.

10 When voting takes place, all decisions of the General Assembly that do not affect the text of these RoP shall be carried by a simple majority of the votes which the full members present and represented have the right to cast.

11 Decisions that affect the text of these RoP shall be carried by a two-thirds majority of the votes which the full members present and represented have the right to cast.

12 In the event of a tie, the proposal put to a vote shall be regarded as rejected.

13 Abstentions shall be disregarded in counting the votes needed to constitute a majority.

14 Blank or null and void ballots shall also be disregarded in counting the votes.

15 Associate members may attend all TC User Group and General Assembly meetings but shall not have the right to vote.

Article 7

Conditions of membership

1 Any eligible entity wishing to join and make a formal commitment to pay the annual membership fee corresponding to the class chosen may request admission to the TC through the Secretariat. This admission shall be endorsed by the General Assembly.

2 Although the use of UPU solutions is not a prerequisite for joining the TC, non-members using such UPU solutions are encouraged to join the TC.

3 The non-fulfilment of financial commitments and obligations by a TC member may lead to loss of membership and the financial benefits attendant thereon, as described in full in article 32.

4 Associate members shall not use their membership to promote their products and services, nor use the emblem, name and initials of the UPU for commercial purposes.

Chapter II – Structure and procedures of the Telematics Cooperative

Article 8

Structure of the Telematics Cooperative

1 The supervisory body of the TC shall be its General Assembly, consisting of all of its members.

2 The CMB shall direct the work of the TC.

3 Three specialized User Groups shall be established within the TC, namely:

3.1 the International Mail Services (IMS) User Group;

3.2 the International Financial Services (IFS) User Group;

3.3 the Advanced Electronic Services (AES) User Group.

4 The General Assembly may decide to establish additional User Groups within the TC.

Article 9 Secretariat

- 1 The Secretariat shall have the following functions:
 - 1.1 serve as an organ of execution, support, liaison, information and consultation for the TC and its members;
 - 1.2 support the TC in the drafting of its specific technical business plans;
 - 1.3 carry out the implementation of TC-specific policies, strategies and work plans as defined and decided by the UPU Congress, the CA, the POC, the General Assembly or the CMB within their respective areas of competence.

Article 10 Procedures for admission to and withdrawal from the Telematics Cooperative

- 1 Each eligible entity shall notify the Secretariat in writing:
 - 1.1 of its request to become a member of the TC;
 - 1.2 of the name of its official representative(s) to the TC;
 - 1.3 of any request to change membership class;
 - 1.4 of its request to withdraw from the TC.
- 2 Membership shall take effect on 1 January of the year in which the official notification of membership is received by the Secretariat.
- 3 Any change in membership class shall take effect on 1 January of the year following that in which the change was officially notified.
- 4 Withdrawal from the TC shall take effect on 31 December of the year in which the official notification of withdrawal was received by its Secretariat. Withdrawal from the TC shall be notified to the Secretariat at least six months prior to the effective date of withdrawal. The effective date of withdrawal of a member that does not notify the Secretariat of its intent within that period shall be postponed to 31 December of the following year. The rights and obligations associated with membership of the TC, including payment of the membership fees, shall be maintained until the effective date of withdrawal.
- 5 Official forms are available for joining the TC, changing membership class or withdrawing from the TC. It shall be mandatory for a duly authorized representative of the member to complete and sign these forms in order to formally acknowledge the member's status within the TC.

Article 11 Basic benefits for members

- 1 Provided that a member's situation does not fall under the terms of article 32, payment of the annual membership fee indicated in article 4 shall grant each member of the TC the following basic benefits:
 - 1.1 participation as a member in the TC;
 - 1.2 ability to join any or all of the User Groups established within the TC;
 - 1.3 ability, solely of full members, to vote on the decisions or resolutions taken by the TC on the basis of the number of votes to which the member is entitled;
 - 1.4 ability, solely of full members, to submit candidates to stand for positions on the CMB or on its User Groups' Management Committees;
 - 1.5 specific benefits or discounts offered on UPU solutions – any such benefits or discounts, insofar as they might be accorded to associate members, shall not be higher than those accorded to full members;

- 1.6 priority support for the deployment of UPU solutions – any such support shall not be accorded to associate members at a higher priority level than that accorded to full members;
- 1.7 regular updates in the form of newsletters and information bulletins.

Article 12

Meeting of the General Assembly

- 1 The TC shall hold an annual General Assembly to:
 - 1.1 review and approve these RoP (subject to further endorsement of the POC and, as the case may be, the CA);
 - 1.2 receive formal updates from the CMB and the Secretariat on the activities carried out by the TC and its specific User Groups;
 - 1.3 without prejudice to the relevant attributions of the POC and the CA, formally approve proposed strategies and business plans, including budgets, for the further development, maintenance and support of the activities carried out within the TC or within a specific User Group;
 - 1.4 approve, as appropriate, and in coordination with the Secretariat, the implementation of non-UPU technical standards as they may pertain to TC activities and UPU solutions;
 - 1.5 serve as a forum for the exchange of ideas and information;
 - 1.6 elect the Chair and the three Vice-Chairs and ratify the election of the three User Group Chairs.
- 2 Attendance at General Assembly meetings shall be restricted to members and invited observers as follows:
 - 2.1 The Chairs of the POC and the CA or their representatives shall be authorized to attend *ex officio*;
 - 2.2 The Chair of the TC, in consultation with the Secretary General, shall be authorized to invite as an observer any international organization or qualified person when the Chair considers that this is in the interest of the TC. The Chair may also invite, under the same conditions, designated operators and wider postal sector players of UPU member countries not belonging to the TC, as well as Restricted Unions or any association or enterprise that the TC wishes to consult with respect to its work.
- 3 The Chair of the TC shall be the *de facto* Chair of the CMB and of the General Assembly.
- 4 All questions brought before the General Assembly shall be notified to the Secretariat at least four weeks before the date of the General Assembly and shall be the subject of a formal document.
- 5 Amendments or questions arising directly from the discussions of the General Assembly shall be considered and dealt with during the meeting.
- 6 The Chair shall offer members the opportunity to express their views freely and fully on matters discussed during the General Assembly. The remarks or statements made by a member at any one time shall not exceed three minutes. If warranted by the number of requests to speak, the Chair shall draw up a list of speakers and determine the order of speaking. After reading this list, the Chair shall declare the list closed. When the list has been exhausted, the Chair shall declare the discussion closed.
- 7 During the General Assembly, the election of the Chair shall take place first, followed by the election of the three Vice-Chairs, then the ratification of the three Vice-Chairs who are Chairs of the User Groups.

Article 13

Language

- 1 The working languages of the TC shall be English and French.
- 2 Insofar as General Assembly meetings are held during official UPU Council sessions, these meetings shall be entitled to the same interpretation services as those provided for by the International Bureau for Council sessions. The costs associated with such interpretation services shall, by analogy with the relevant

provision of the UPU General Regulations, be shared among the members using the same language in proportion to their contributions to the TC.

3 All other meetings, specifically those of the CMB and the User Groups, shall be conducted in English and their documentation shall be produced in English. However, these bodies may freely choose to add other working languages.

Chapter III – Management of the Telematics Cooperative

Article 14

Cooperative Management Board

1 The CMB shall be the formal management structure responsible for supervising the activities of the TC.

2 The role and responsibilities of the CMB shall be to:

2.1 define strategies related to the UPU's telematics activities based on its understanding of members' needs and requirements and its appreciation of the impact of telematics on postal activities;

2.2 establish business plans and priorities aimed at implementing those strategies in the interest of TC members;

2.3 formulate the funding plans needed to develop and support TC activities and projects;

2.4 act as a steering committee for the TC for activities assigned to the Secretariat;

2.5 formulate policies on the overall development, deployment, maintenance, support and use of UPU solutions;

2.6 ensure that the UPU solutions provided meet the requirements and expectations of members;

2.7 receive regular updates on the progress of TC activities conducted within the User Groups and the Secretariat;

2.8 take decisions regarding the creation of new UPU solutions and subsequently inform the General Assembly of these decisions;

2.9 submit reports to the POC on the progress of the TC's work;

2.10 assume the role and responsibilities of the General Assembly for matters requiring urgent decision when that body encounters problems involving a quorum during its meetings, except for any proposed amendments to these RoP;

2.11 manage the TC Voluntary Fund.

3 The CMB may propose amendments to these RoP and submit these proposals to the General Assembly for approval (subject to further approval of the POC and, as the case may be, the CA).

4 The CMB shall manage the work of the TC and decide on the appropriate means of informing members of this work.

5 The CMB shall evaluate suggestions or requests formulated by members which could provide the basis for new proposals for improving the development and use of UPU solutions.

6 The CMB shall have the authority, as mandated by the General Assembly, to make proposals to the latter regarding changes in membership classes, as well as in members' corresponding annual fees and voting rights.

7 The CMB may also adopt, in consultation with the Secretariat, changes to the fees applicable to UPU solutions as set forth in the relevant Schedule of Charges, as well as modifying the financial benefits or discounts offered to members. The General Assembly shall be informed of all such changes and shall be entitled to review them.

Article 15

Structure of the Cooperative Management Board

1 The CMB shall be composed of seven voting members selected, on an ad personam basis, from among the full members which have joined the TC. If multiple designated operators of the same UPU member country are members of the TC, selected CMB members submitted by the latter shall be able to sit simultaneously on the CMB. The Secretariat shall, through the Director of the Postal Technology Centre (or his/her delegated official) attend CMB meetings in a non-voting capacity. The Secretary General, or his/her representative, may also attend the meetings of the Board and take part in its deliberations.

2 The voting members of the CMB shall be elected or designated on the basis of the following principles:

2.1 The Chair and the Vice-Chairs of the CMB responsible respectively for Markets and Strategy, Finance, and Legal Affairs shall be elected by the General Assembly. The Chairs of the User Groups shall be elected by their respective group and their election then ratified by the General Assembly;

2.2 The duration of the terms of office of CMB members shall be four years. Each member of the CMB may stand for a second term of office;

2.3 In order to ensure coherence between the work of the CMB and the work of the three User Groups established within the TC, the elected Chairs of these User Groups shall be designated as Vice-Chairs of the CMB in their respective area of responsibility;

2.4 CMB members shall be submitted by a full member and be elected on the basis of their curricula vitae showing their aptitude to carry out the functions required. Although equitable geographical representation is desirable within the CMB, the individual's skills and ability to carry out the responsibilities assigned shall be the overriding criteria;

2.5 The TC Secretariat shall familiarize newly elected CMB members with their Board duties and obligations towards the TC.

3 Furthermore, candidates for the post of CMB Chair or the posts of Vice-Chairs responsible for Markets and Strategy, Finance, and Legal Affairs shall satisfy the following criteria:

3.1 they each represent a full member of the TC;

3.2 they are able to carry out their duties (e.g. can travel freely, knowledge of their subject matter, etc.);

3.3 they each represent a full member that has made significant contributions to the budget or to the advancement of the TC's work.

4 On the basis of §§ 1 and 2, the composition of the CMB shall be as follows:

4.1 Chair of the TC;

4.2 Vice-Chair – Markets and Strategy;

4.3 Vice-Chair – Finance;

4.4 Vice-Chair – Legal Affairs;

4.5 Vice-Chair – International Mail Services;

4.6 Vice-Chair – International Financial Services;

4.7 Vice-Chair – Advanced Electronic Services;

4.8 Director of the Postal Technology Centre – International Bureau (Secretariat representative, non-voting).

Article 16

Duties of Cooperative Management Board members

1 The main duties of the Chair shall be:

1.1 to convene members, direct proceedings and approve the final report of the General Assembly;

1.2 to assume the overall responsibility of supervising the TC's work;

1.3 to define, in consultation with the other members of the CMB, the main objectives of the TC;

- 1.4 to reconcile, in consultation with the other members of the CMB, the priorities of projects conducted within the TC;
- 1.5 to chair the meetings of the CMB and the General Assembly.
- 2 The main duties of the Vice-Chairs of the CMB responsible for the following areas shall be:
 - 2.1 Markets and Strategy:
 - 2.1.1 to define, in coordination with the Secretariat, the TC business plan and present it to the CMB and the General Assembly;
 - 2.1.2 to present to the CMB the results of annual user surveys and market research;
 - 2.2 Finance:
 - 2.2.1 to review, in coordination with the Secretariat, the budget and its execution, and prepare the information to be communicated to the CMB;
 - 2.2.2 to prepare, in coordination with the Secretariat, the Schedule of Charges and the preferential conditions granted to members;
 - 2.3 Legal Affairs:
 - 2.3.1 to review, in coordination with the Secretariat, legal aspects relating to the TC, and propose updates to these RoP;
 - 2.3.2 to review data security governance and compliance aspects of TC activities.
- 3 In addition to the responsibilities listed under article 24, the main duties of the Vice-Chairs of the CMB chairing the User Groups shall be:
 - 3.1 to represent, within the CMB, the interests, objectives, priorities and projects of their User Group;
 - 3.2 to submit funding proposals for projects undertaken by their User Group;
 - 3.3 to report to their User Group on the overall objectives, strategies and decisions approved by the CMB;
 - 3.4 to report on the activities of the associate members using at least one product and service under the management of their User Group.

Article 17

Resignation and replacement

- 1 Should the Chair or one of the Vice-Chairs responsible for Markets and Strategy, Finance, or Legal Affairs resign their position, a successor shall be elected for a new full term in accordance with the relevant procedures set forth in article 15.
- 2 Any CMB Vice-Chair chairing a User Group who resigns from a post on the CMB shall also resign from the post of User Group Chair. The successor on the CMB shall be the newly elected Chair of that User Group.
- 3 CMB members shall lose their seats in the event that they are unable to attend three consecutive Board meetings, or if so decided by the General Assembly. Neither these members nor any other candidate from their respective full member shall be eligible to stand as candidates for re-election for a period of at least one year.
- 4 Should a CMB member resign or fall under the situation described in § 3 above prior to the end of their term, the CMB shall appoint a temporary replacement from the TC membership until a new election is held.

Article 18

Meetings of the Cooperative Management Board

- 1 Meetings of the CMB shall, in principle, be held four times a year, with two of these meetings preferably taking place during, or immediately before or after, the sessions of the UPU Councils.
- 2 Additional CMB meetings may be organized as requested by the Chair or by at least four members of the CMB.
- 3 Any member may submit specific questions or matters to be included on the CMB meeting agenda. The CMB, through its Secretariat, shall formally notify that member of the meeting that will deal with those questions or matters, with the member in question being authorized to participate in that meeting, if it so wishes.
- 4 The travel costs and other expenses of CMB members shall be fully borne by the members concerned. This same principle shall apply to members attending CMB meetings, in accordance with the provisions of § 3 above.
- 5 Without prejudice to the attendance requirement set forth in article 17, elected CMB members who cannot attend a particular CMB meeting may exceptionally send a representative of their respective full member instead.
- 6 A CMB member not attending a meeting may give a proxy to another CMB member. A CMB member may hold only one proxy.

Article 19

Voting during Cooperative Management Board meetings

- 1 Decisions shall be made by consensus wherever possible. However, when voting takes place during a CMB meeting, all decisions shall pass by a simple majority of the full members present.
- 2 The quorum necessary for conducting meetings of the CMB and for any votes taken during those meetings shall be four. Each Board member has one vote.

Chapter IV – User Groups

Article 20

Role of the User Groups

- 1 The role of the User Groups is to manage and coordinate the requirements of users, primarily members of the TC, and to establish strategies and plans aimed at satisfying the requirements of these users and the business needs of their postal enterprise.
- 2 The User Groups shall coordinate their respective activities with users in order to consolidate users' requirements and ensure that knowledge is shared between users, with the aim of helping members better identify and submit their requirements for new UPU solutions, and ensure better, more effective use of the UPU solutions that they are using or planning to use.
- 3 A User Group shall provide its members with a unique forum for the exchange of ideas, requirements and experiences. Optimally, each User Group shall contribute, in its specific area of responsibility, towards building a common postal culture.
- 4 One of the main aims of the User Groups shall be to initiate common projects likely to be of interest to their members, thus enabling members to benefit from the synergy created by using common UPU solutions, as well as the ability to deploy UPU solutions at the lowest price possible as a result of cost sharing and the economies of scales achieved.
- 5 Members may form common interest groups to supervise and sponsor projects.

Article 21

Procedures for membership

- 1 Any member may become a member of a User Group, provided that that member's situation does not fall under the terms of article 32.
- 2 A member shall inform the Secretariat of its intention to join one or more User Groups and to satisfy the terms and conditions that apply to membership of that User Group.
- 3 Members shall not be expected to pay any fees for joining one or more User Groups in addition to their basic annual membership fees to the TC.
- 4 The members of a User Group shall be expected to bear the travel costs and associated expenses of their representatives who attend meetings of that User Group.

Article 22

Role of User Group members

- 1 The members of a User Group shall actively participate in the work of that User Group.
- 2 The members of a User Group shall be entitled to submit proposals, evaluate those proposals and vote on the conduct of specific projects.

Article 23

User Group Management Committee

- 1 A Management Committee shall represent each User Group.
- 2 The Management Committee shall be composed of five voting members elected from a list of candidates drawn from full members of the User Group.
- 3 Each User Group shall elect the voting members of the Management Committee for a term of four years.
- 4 The elected members of the Management Committee shall designate the Chair of the User Group. Should the Management Committee encounter difficulties in designating the Chair, a vote shall take place within the Management Committee for electing the Chair by a simple majority of its members.
- 5 The Chair of each User Group Management Committee shall become a member of the CMB.
- 6 Candidates for a seat on the Management Committee of each User Group shall satisfy the following criteria:
 - 6.1 they each represent a full member of the User Group concerned;
 - 6.2 they are able to carry out their duties (e.g., can travel freely, knowledge of their subject matter, etc.);
 - 6.3 they are able to coordinate regional activities on behalf of the User Group's Management Committee;
 - 6.4 they are a user of at least one product or service under the management of the User Group concerned.

Article 24

Role of a Management Committee

- 1 The main activities of a Management Committee shall be to:
 - 1.1 define the main business objectives;
 - 1.2 coordinate the collective requirements;
 - 1.3 set development priorities and define the product or service strategy;

- 1.4 propose the development strategy and any third-party involvement in implementing this strategy;
- 1.5 approve the functional features of UPU solutions;
- 1.6 promote UPU solutions and formulate funding plans as required;
- 1.7 review the activities of members that form common interest groups;
- 1.8 coordinate and consolidate the strategies and business requirements with the CMB.

Article 25

Resignation and replacement

Should a member resign from the Management Committee, a successor shall be elected at the next meeting of the relevant User Group for a full term. If the Chair of the Management Committee resigns or is removed by the User Group, an interim Chair shall be appointed by the Management Committee itself to serve until the next General Assembly.

Article 26

User Group meetings

- 1 Each User Group shall hold an annual meeting or organize a consultation by correspondence in order to:
 - 1.1 receive from the Management Committee and from the Secretariat a formal update on the status of the activities carried out within the User Group;
 - 1.2 formally approve strategies for the development, maintenance and support of the activities carried out within the User Group;
 - 1.3 elect the Management Committee responsible for representing the User Group's collective interest.
- 2 Representatives of other UPU bodies dealing with specific questions relating to the activities of the User Group may participate, on the invitation of the User Group Chairs, either as an observer or invitee, in meetings held to discuss those questions affecting them.

Article 27

Meetings of the Management Committee

- 1 Each Management Committee shall meet at least four times each year in order to:
 - 1.1 receive regular updates from the Secretariat on the status of the activities carried out on behalf of a specific User Group;
 - 1.2 formally approve proposals for the development, pricing, maintenance and support of the activities carried out within the specific User Group;
 - 1.3 cooperate with the Secretariat in all matters having a bearing on the deployment and use of UPU solutions and the exchange of data between designated operators and other wider postal sector players, including without limitation air carriers, other transport companies and customs authorities;
 - 1.4 undertake any action which has a direct or indirect bearing, in whole or in part, on the development, maintenance and support of the User Group's activities.
- 2 In principle, User Group Management Committee meetings shall preferably take place immediately before or after meetings of the CMB.

Article 28

Voting

- 1 The User Groups and their Management Committees shall apply the voting principles and methods applicable to the General Assembly and the CMB respectively.

- 2 When a proposal is to be voted on by correspondence (postal or e-mail ballot), the following procedure shall apply (without prejudice to the sanctions set forth in article 32):
- 2.1 A minimum period of two weeks shall be allowed to enable full members to consider the proposal notified in a notice published by the Secretariat;
 - 2.2 The Secretariat shall invite full members to vote for or against the proposal;
 - 2.3 Ballots may be sent from or to the Secretariat by post, fax or e-mail; the date taken shall be the date of dispatch from the country or receipt by the Secretariat (as specified by the latter in each case); ballot results shall be notified to all full members.
 - 2.4 Full members shall forward any observations to the Secretariat; no amendments to the proposal shall be possible;
 - 2.5 Full members which have not sent in their ballot within the specified period shall be considered as abstaining; this period shall be reckoned from the date of the notice in question.
 - 2.6 The total number of votes to be considered for determination of whether a simple majority or two-thirds majority has been achieved for a vote taken by correspondence shall be the number of votes that could be cast by full members with the right to vote.

Chapter V – Finance and budget

Article 29

Basic financial principles

- 1 Subject to the relevant decisions of the CA, the budget earmarked for UPU telematics activities and managed by the Director General of the International Bureau shall come from the following five main sources:
- 1.1 the annual membership fees paid by members;
 - 1.2 the income from the fees billed for the use of UPU solutions developed within the framework of the TC;
 - 1.3 the UPU regular budget;
 - 1.4 additional voluntary contributions;
 - 1.5 the TC Voluntary Fund.
- 2 The budget shall be used to support all the activities carried out by the Secretariat relating to:
- 2.1 the development of UPU solutions;
 - 2.2 the deployment of UPU solutions;
 - 2.3 the maintenance of UPU solutions and the related technical support;
 - 2.4 the management, administration and technical support of TC activities;
 - 2.5 the conducting of annual user surveys, market research and investment-in-innovation activities.
- 3 The annual membership fee paid by members shall contribute towards the conducting of annual user surveys, market research and investment-in-innovation activities of the Secretariat.
- 4 Additional voluntary contributions may be allocated to specific projects or to cover specific costs, or provided in support of general activities in accordance with the relevant provisions of the Financial Regulations of the UPU.

Article 30

Financing activities

- 1 The financing of new activities or projects conducted within the framework of the TC may be solicited from members, International Bureau programmes and the wider UPU membership.
- 2 New activities or projects shall be approved in accordance with the Financial Regulations of the UPU.

- 3 The annual business plan shall indicate the cost and the method of funding for each activity or project.
- 4 Each member shall decide, on a voluntary basis, whether to participate in the funding of a given project.
- 5 For each new project, each member's share of funding shall be determined on the basis of a set of scales established on a project-by-project basis.
- 6 When the General Assembly, or in the interim the CMB, decides to launch a project, the rules outlined in §§ 1 to 5 above shall apply to all members.
- 7 When the decision to launch a project is taken by a User Group, the same principles outlined in §§ 4 and 5 regarding cost sharing shall also apply to the members of the User Group concerned.
- 8 Within the framework of TC activities, all projects undertaken by the Secretariat shall be financed in advance by funds either provided or pledged by members.
- 9 Members which have funded a specific project may decide, on a case-by-case basis, on the implementation priorities of that project, including use of the funds earmarked.

Article 31

Telematics Cooperative Voluntary Fund

- 1 Members shall establish a TC Voluntary Fund.
- 2 The TC Voluntary Fund shall be used:
 - 2.1 to cover the costs of major and unforeseeable expenses;
 - 2.2 to support members facing force majeure situations;
 - 2.3 to conduct market research and investment-in-innovation activities;
 - 2.4 to finance projects approved by the CMB.
- 3 The TC Voluntary Fund shall be maintained by:
 - 3.1 excess income from fees paid by associate members;
 - 3.2 voluntary contributions.
- 4 The CMB shall report to the General Assembly on the use of the TC Voluntary Fund.

Article 32

Debts

- 1 Debts in arrears shall include any unpaid amount relating to membership fees, members' contributions to funding, fees charged on the basis of the Schedule of Charges and licensing fees which have not been paid within 90 days of the billing date by members which are users of UPU solutions. After that period, interest shall be charged for all debts in arrears. Any sums due shall be chargeable with interest in favour of the budget of the TC at the annual rate specified in the UPU General Regulations or, subsidiarily, in the UPU Financial Regulations.
- 2 The Secretariat shall maintain a list of all members with debts in arrears longer than one year as per § 1, and notify this list to the CMB at one of its yearly meetings, as well as at General Assembly meetings. The Secretariat shall also maintain a list of non-members which are users of UPU solutions but which have defaulted in their due payments under the relevant licensing agreements, so that the TC may decide on the imposition of access restrictions against those non-members for any UPU solutions.
- 3 The Secretariat shall formally notify members which are users of UPU solutions that they have been placed on the list referred to in § 2, and of the implications of this on their voting rights and other applicable penalties, including access restrictions to new UPU solutions.

- 4 The Secretariat shall formally notify full members with debts in arrears longer than one year that they have lost their voting rights.
- 5 The Secretariat shall formally notify associate members with debts in arrears longer than one year that they have lost access to the UPU solutions.
- 6 A full member may regain voting rights by paying all debts, including applicable interest, in full, or by accepting an amortization schedule.
- 7 Members which have accumulated debts in arrears exceeding two years from the date of issue of the bill in question may be subject to loss of some of the basic benefits of membership provided for in article 11, as well as access to UPU solutions.
- 8 Members that fail to settle debts in arrears within a period of one calendar year of the date that they are listed as having a debt in arrears shall automatically lose their membership of the TC. At the time of such automatic loss of membership, the accrual of interest on debts in arrears shall cease.
- 9 Membership shall not be removed from members that the CMB deems to currently be in a force majeure situation.
- 10 In order to be reinstated after automatic loss of membership, a former member must reapply for membership, using the relevant admission procedures set forth in these RoP. However, in such a case, membership shall not be effective until all debts and interest owed to the TC for the previous years of membership have been paid in full.

Article 33 Schedule of Charges

- 1 The Schedule of Charges, which may be periodically revised by the TC, shall be published by the Secretariat for all UPU solutions made available to members and non-members of the TC.
- 2 The Schedule of Charges for the aforementioned UPU solutions shall include:
 - 2.1 the discounts applicable to TC members;
 - 2.2 the annual fees applicable to all users of UPU solutions;
 - 2.3 the specific fees applicable to non-members of the TC using such UPU solutions.

Article 34 Annual fees

The use of UPU solutions shall be subject to an annual fee indicated in the Schedule of Charges. The purpose of this fee is to cover the cost of developing, maintaining and supporting those UPU solutions.

Chapter VI – Intellectual property rights and confidentiality

Article 35 Proprietary rights

Without prejudice to any pre-existing intellectual property rights vested in parties other than the UPU, all proprietary rights, including intellectual property rights and other rights of any kind, created out of the activities of the TC shall be vested exclusively in the UPU.

Article 36
Confidentiality

1 Members shall acknowledge that, by joining the TC, they may receive confidential and/or commercially sensitive information from other members or the International Bureau in connection with the activities of the TC.

2 In the light of the above, and without prejudice to the relevant provisions contained in the UPU General Regulations and the Rules of Procedure of the POC, members shall make reasonable efforts to keep all such confidential and/or commercially sensitive information confidential, including without limitation not disclosing such information to third parties and other entities or persons not directly involved with TC activities.

3 Members whose membership of the TC ceases shall continue to be bound by §§ 1 and 2 above in relation to any confidential and/or commercially sensitive information disclosed to them for five years following the end of their membership.

Chapter VII – Final provisions

Article 37
Entry into force

These Rules of Procedure shall enter into effect immediately upon their approval by the POC, without prejudice to further approval of the CA within the framework of its competence, as per the relevant provisions of the UPU General Regulations.