



UPU*Clearing User Group

RULES OF PROCEDURE

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UNION

UPU*Clearing User Group

Rules of Procedure

Foreword

UPU*Clearing is an efficient, low-cost means of settling international postal accounts. UPU*Clearing allows designated operators of UPU member countries to make various types of bills available instantly online. Debtors can comment on, change, accept or refuse these electronic bills by means of an acceptance/refusal function, all via a discussion platform.

The UPU*Clearing User Group is a body established under the Postal Operations Council and is regulated by its own rules of procedure. The clearing system itself is also governed by specific clearing rules.

Rules of Procedure of the UPU*Clearing User Group (hereinafter the "Rules of Procedure")

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Chapter I – Membership

Article 1 Members

1 Member categories

1.1 The UPU*Clearing User Group is made up of ordinary members (hereinafter “ordinary members”) and partner members (hereinafter “partner members”) as further defined below. Members may be admitted on a provisional basis.

2 Ordinary members

2.1 Any designated operator of a UPU member country making and/or receiving payments for the international postal services it operates on the basis of the Acts of the UPU may join as an ordinary member.

3 Partner members

3.1 Any non-governmental entity supplying goods or services to the international postal services sector which has an interest in supporting the activities of the UPU*Clearing User Group may, upon recommendation by an ordinary member, join as a partner member.

Article 2 Contribution classes, voting principles and quorum

1 Ordinary members

1.1 The contribution class of ordinary members is linked to the number of contribution units to the UPU budget.

1.2 The number of votes of ordinary members, to be determined in proportion to their contribution class, shall be calculated as follows:

<i>UPU*Clearing contribution class</i>	<i>Number of contribution units to the UPU budget</i>	<i>Number of votes</i>	<i>Annual contribution in CHF</i>
1	0.1-1	1	1,125
2	1.1-9.9	5	5,625
3	>=10	10	11,250

2 Partner members

2.1 Each partner member has only one vote.

2.2 The voting rights of partner members shall be limited to proposed amendments to the Clearing Rules. Partner members shall not have voting rights for any other decisions taken by the General Assembly.

2.3 The annual membership fee for partner members corresponds to contribution class 3.

3 Voting principles

3.1 Voting shall be in accordance with the Rules of Procedure of the Postal Operations Council (hereinafter “POC”) and require the majorities specified in article 4 below, subject to the quorum requirements described in paragraph 4 of this article.

4 Quorum

- 4.1 General Assembly meetings and any voting procedures thereof shall only be valid if at least one third of the ordinary members are present. The quorum necessary for conducting a Steering Committee meeting shall be three members.
- 4.2 In cases deemed exceptional and/or urgent by the Steering Committee, voting may also be conducted by electronic mail ballot. When a proposal is to be voted on by electronic mail ballot, the following procedures shall apply:
- 4.2.1 Unless otherwise provided for in the notification issued by the International Bureau (hereinafter the "Secretariat" as further defined in article 10), a period of two weeks shall be allowed to enable ordinary members to consider the proposals sent out by by electronic mail.
- 4.2.2 The Secretariat shall invite ordinary members to cast their vote by the indicated deadline.
- 4.2.3 Ballots shall be sent to the Secretariat by electronic mail; for the purposes of compliance with the aforementioned deadline, the reply date taken into account shall be that of dispatch of the electronic mail ballot by the member concerned. Members that have not sent their electronic mail ballot by the deadline shall be deemed to be abstaining.
- 4.2.4 Once returned to the Secretariat, no amendments to a completed electronic mail ballot shall be allowed unless the deadline referred to above has not yet been reached.

Article 3

Late payment of contributions

- 1 Failure to pay the annual contribution within the period set out in the Clearing Rules may result in the member being suspended.
- 2 A member's provisional membership shall be conditional upon payment of the first annual contribution, in accordance with article 6.1.3.3 below.

Chapter II – Bodies and procedures

Article 4

Bodies of the UPU*Clearing User Group

- 1 General Assembly
- 1.1 Attendance at meetings of the General Assembly shall be restricted to full and partner members of the UPU*Clearing User Group, as well as to observers and ad hoc observers duly authorized in accordance with the relevant provisions contained in the Rules of Procedure of the POC.
- 1.2 The Chair of the Steering Committee shall act as Chair at meetings of the General Assembly. Moreover, the Vice-Chair shall act as Chair at meetings of the General Assembly if the Chair is prevented from attending. If both the Chair and the Vice-Chair are prevented from attending a specific meeting, the Chair shall be replaced by one of the Steering Committee members selected among themselves or, in the absence of agreement, elected by a secret ballot of all ordinary members present.
- 1.3 An extraordinary General Assembly shall be called should one quarter of the total votes request it.
- 1.4 The General Assembly takes its decisions on a two-thirds majority of total votes present or represented in the following cases:
- 1.4.1 revision of the Rules of Procedure;
- 1.4.2 dissolution of the UPU*Clearing User Group.
- 1.5 The General Assembly takes its decisions by a simple majority of votes present or represented in the following cases:
- 1.5.1 definitive admission or temporary or permanent exclusion of members;

- 1.5.2 appeals against suspension;
- 1.5.3 election of the Steering Committee;
- 1.5.4 strategic decisions concerning the activities of the UPU*Clearing User Group;
- 1.5.5 approval of the UPU*Clearing User Group accounts and budget (without prejudice to further approval of the Council of Administration in so far as the UPU Programme and Budget is concerned);
- 1.5.6 setting of the annual membership fees;
- 1.5.7 revision of the Clearing Rules;
- 1.5.8 oversight of the other bodies' activities;
- 1.5.9 appeals from dispute settlement decisions;
- 1.5.10 any other decision not falling within the competence of the other bodies.
- 1.6 A member that is unable to attend a meeting may arrange to be represented by another member, provided that written notice is given to the Secretariat.
- 1.7 A member may vote by proxy for a maximum of five other members.
- 2 Steering Committee
- 2.1 Functions
- 2.1.1 reports annually to the General Assembly and the POC;
- 2.1.2 approves the launch of an electronic mail ballot;
- 2.1.3 decides on a member's provisional admission, on a member's suspension (duration) and on its consequences (penalty for late payment);
- 2.1.4 proposes a member's definitive admission to, or exclusion from, the General Assembly;
- 2.1.5 in case of emergency, takes appropriate decisions to safeguard members' interests;
- 2.1.6 submits the budget and accounts to the General Assembly;
- 2.1.7 sets the amount of the deposit for the reinstatement of a suspended member, taking the circumstances of the case into consideration;
- 2.1.8 responds to questions submitted to it by the Secretariat;
- 2.1.9 prepares the agenda for each meeting of the UPU*Clearing User Group in consultation with the Secretariat. This agenda shall be sent to the members of the UPU*Clearing User Group and to the observers at the same time as the convening notice.
- 2.2 Structure of the Steering Committee
- 2.2.1 The Steering Committee shall be composed of five persons elected *ad personam* from among ordinary members of the UPU*Clearing User Group. They shall be employed by their respective ordinary members and be suitably qualified.
- 2.2.2 Ordinary members shall ensure that the persons elected are available sufficiently often to carry out their functions.
- 2.2.3 In case of withdrawal or prolonged absence (absence from two consecutive meetings) of a Steering Committee member, the ordinary member which employs the Steering Committee member in question shall be entitled to replace the absent individual within a reasonable period, with another employed individual, until the next election.

- 2.2.4 The Chair and Vice-Chair of the Committee are elected by the Committee from among its members.
- 2.3 Election of Steering Committee members
- 2.3.1 Each ordinary member may present only one candidate, who shall be employed by that ordinary member.
- 2.3.2 Steering Committee members shall be elected for a two-year term and may be re-elected.
- 2.4 Decisions taken by the Steering Committee shall be made by consensus whenever possible. However, when voting is used during a meeting of the Steering Committee, all decisions shall be passed by a majority vote of the members of the Steering Committee present, subject to the quorum requirements described in article 2.4.

Article 5

Dispute settlement

- 1 A transaction becomes disputed as soon as it is designated as such in the system by one of the parties to the dispute.
- 2 The parties shall endeavour to settle amicably any dispute concerning the clearing system.
- 3 Transactions disputed for more than three clearing periods (as defined in the Clearing Rules) after their entry dates shall be deleted from the system unless the parties have referred the matter as per paragraph 4 below.
- 4 If the parties do not manage to settle their dispute amicably under article 5.2, one of the parties to the dispute may, within three clearing periods of the relevant disputed transaction, refer the matter to the Steering Committee which shall decide on the matter.
- 5 Disputed transactions referred to the Steering Committee by a member shall be suspended until the Steering Committee has delivered its final decision.
- 6 The Steering Committee shall rule on the dispute no later than two months after receiving the complete file (and related party submissions) relating to the dispute. Its decision shall be communicated to the parties by electronic mail.
- 7 In case of further appeal against a decision taken by the Steering Committee, or if the latter is unable to issue its final decision within two months, the dispute shall be presented to the General Assembly for review and decision.
- 8 Without prejudice to the relevant dispute settlement provisions referred to in the UPU Constitution and General Regulations, the General Assembly's decision shall, within the context of the UPU*Clearing User Group, be final and without appeal.
- 9 If a member of the Steering Committee is a party to the dispute, that member may not participate in the Steering Committee's examination of the case.

Article 6

Admission and withdrawal

- 1 Admission
- 1.1 Any designated operator of a UPU member country may submit an application for membership to the Secretariat, which shall pass it on to the Steering Committee.
- 1.2 The membership application for each ordinary member shall indicate its respective number of contribution units in accordance with article 2.1.2.
- 1.3 Preconditions for any provisional membership are:

- 1.3.1 the signing of a membership declaration whereby the member undertakes to abide by these Rules of Procedure and the Clearing Rules;
- 1.3.2 payment of the annual membership fee;
- 1.3.3 payment of a deposit, as decided by the Steering Committee
- 1.4 The Clearing Rules define the material and operational conditions of admission.
- 1.5 On an exceptional basis, the Steering Committee may request the General Assembly to waive the application of paragraph 1.3.2 above in order to take actions aimed at facilitating membership in the UPU*Clearing User Group; such actions shall be of limited duration and may only be renewed as decided by the General Assembly.
- 2 Withdrawal
 - 2.1 Any member may withdraw from the UPU*Clearing User Group, provided it gives the Secretariat written notice at least one year in advance. However, it shall still be required to settle through the UPU*Clearing system bills relating to transactions carried out prior to the date on which it ceased to be a member. Moreover, it shall remain bound by the decisions of the Steering Committee and the General Assembly in dispute settlement procedures.
 - 2.2 Any admission or withdrawal of a member shall be notified to members of the UPU*Clearing User Group by the Secretariat via electronic mail, and to UPU member countries by means of an International Bureau circular.

Article 7

Suspension and exclusion

- 1 Suspension
 - 1.1 A member may be suspended, at the discretion of the Steering Committee, for a fixed or indefinite period if:
 - 1.1.1 it does not pay its annual membership fee and/or the clearing system's bills;
 - 1.1.2 international sanctions are adopted against it by competent international organizations, including the UPU;
 - 1.1.3 it does not abide by these Rules of Procedure and/or the Clearing Rules;
 - 1.1.4 it commits repeated errors;
 - 1.1.5 it is declared bankrupt or has been placed in receivership;
 - 1.2 Suspension results in the loss of voting rights, and may, at the discretion of the Steering Committee, be accompanied by a financial sanction (late payment penalty of 6% per annum).
 - 1.3 Members are still required to pay their annual membership fees throughout their suspension.
 - 1.4 The Secretariat shall take the necessary measures for implementing the decision to suspend a member from the UPU*Clearing system.
- 2 Reinstatement
 - 2.1 A suspended member may be reinstated at the end of the suspension period if:
 - 2.1.1 it has paid the late payment penalty of 6% imposed by the Steering Committee, if applicable;
 - 2.1.2 it has settled all of its debts in the UPU*Clearing system;
 - 2.1.3 it has paid the mandatory deposit required by the Steering Committee.

3 Exclusion

- 3.1 A member may be excluded at the end of the suspension period if it has not met the requirements imposed by the Steering Committee pursuant to article 7.2.1.
- 3.2 An excluded member's annual membership fee shall be retained by the UPU*Clearing User Group during the year following its exclusion.
- 3.3 The exclusion of a member is to be notified to members of the UPU*Clearing User Group by the Secretariat via electronic mail, and to UPU member countries by means of an International Bureau circular.
- 3.4 An excluded member shall satisfy the conditions laid down in article 7.2.1.1 to 7.2.1.3 to be reinstated.

Article 8

Deposit

- 1 A deposit is mandatory in the case of reinstatement after suspension.
- 2 The deposit required is set by the Steering Committee.
- 3 Members may maintain a deposit that is larger than the mandatory deposit required, or pay a voluntary deposit at any time.
- 4 The deposit (capital and interest) belongs to the member and is kept in the UPU*Clearing bank account, where it is managed according to the member's instructions.
- 5 A member may use its deposit account to pay other bills issued by the International Bureau and to settle debts connected with UPU*Clearing. A member may be asked to increase its deposit if it uses its deposit account to settle debts for three consecutive accounting periods. The amount of the supplemental deposit required shall be the value of the payments made from the deposit account.

Article 9

Deactivation from the system

- 1 Members may, upon request, be deactivated from the system for a maximum period of one month from start of any monthly compensation cycle.
- 2 A maximum of two requests for deactivation can be made during a fiscal year.
- 3 Deactivation requests shall be sent by electronic mail to the Secretariat, and be received at least one week in advance prior to the start of the re-requested deactivation period.
- 4 Each deactivation request shall be justified and reasonably valid. Decisions by the Secretariat pertaining to a request for deactivation shall be final and not subject to appeal.
- 5 In the event of force majeure, deactivation requests for a longer period may be accepted.

Chapter III – Secretariat and languages

Article 10

Secretariat

- 1 Secretariat
- 1.1 The role of Secretariat shall be provided by the International Bureau. The Secretariat shall perform the following functions:
 - 1.1.1 serve as an organ of execution, support, liaison, information and consultation for the UPU*Clearing User Group and its members;

- 1.1.2 provide reports, support the Steering Committee with its functions described in article 4 above and manage the daily clearing activities;
- 1.1.3 manage the UPU*Clearing User Group's income and finances in accordance with the relevant UPU financial rules.
- 1.2 The Secretariat shall advise members concerning the clearing system. If it sees fit, it may refer any question asked by a member to the Steering Committee or the General Assembly, according to their respective areas of responsibility.

Article 11

Languages

- 1 The working languages of the UPU*Clearing User Group are French and English.

Chapter IV – Finance and budget

Article 12

Basic financial principles

- 1 The UPU*Clearing User Group's income is made up of the annual membership fees paid by members of the UPU*Clearing User Group.
- 2 Use of income
 - 2.1 The income shall make it possible to carry out all the activities undertaken by the UPU*Clearing User Group, according to the principle of cost coverage.
 - 2.2 The annual membership fees paid by members are allocated to cover the operating and administrative costs of the UPU*Clearing User Group.
- 3 Deadlines
 - 3.1 In the first year, the annual membership fee shall be paid at the time of admission.
 - 3.2 Annual membership fees are payable in advance before 1 January of each year.
- 4 The UPU*Clearing User Group's operating costs cover:
 - 4.1 the operating expenses of the clearing system;
 - 4.2 the administrative costs;
 - 4.3 the staff costs;
 - 4.4 the bank charges of the banking institutions used by the UPU in Switzerland for payments to creditors.
- 5 Bank charges
 - 5.1 For payments from debtors, all bank charges and commissions are payable by these debtors. Any charges deducted from the payments are re-billed by the Secretariat in the following period.
 - 5.2 For payments to creditors, only bank charges of the bank in Switzerland are to be borne by UPU*Clearing. Any other charges are borne by the creditor.
- 6 Budget
 - 6.1 The operating costs to be charged to the budget shall be communicated to the UPU*Clearing User Group Secretariat by the Secretariat.
 - 6.2 Before the beginning of any financial year, the Steering Committee shall draw up a balanced budget for approval by the General Assembly.

- 6.3 The budget of the UPU*Clearing User Group shall be managed under the applicable UPU financial principles and rules (including without limitation the UPU Financial Regulations and the UPU Rules on Financial Administration).

Chapter V – Dissolution and final provisions

Article 13

Balance of accounts upon dissolution

- 1 When the UPU*Clearing User Group is dissolved, the balance of the bank accounts, once the members' assets have been reimbursed, shall be paid into the UPU Voluntary Fund.

Article 14

Entry into force

- 1 These Rules of Procedure shall come into effect immediately upon their approval by the POC (without prejudice to further approval by the Council of Administration for matters falling under the purview of the latter).



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