



# **PRIME**

## **General Assembly Procedures**

**V.2 03/05/2023**

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# 1 PRIME Constitution - Membership

**PRIME is an independent network of UPU Designated Operators.** At the date of approval of this document [03.05.2022], PRIME is comprised of 158 Members.

The highest decision-making body is the PRIME General Assembly.

PRIME works closely with UPU and its Restricted Unions.

Until the General Assembly decides otherwise, PRIME cooperates with IPC as a supplier for IT services, for the use of the Global Customer Service System (GCSS), and or Human Resources that include the Head of PRIME and other three (3) staff members involved in the running of PRIME business.

PRIME has the following categories of Members:

1. **Full Members**, who pay the Membership fee and have voting rights;
2. **Associate Members**, only open to operators from UPU group 4 Members, who do not pay the Membership fee, have no voting rights and have limited rights as set out in the table below. Members from UPU group 4 may become Full Members if they pay the relevant fee;
3. **Expansion Members**, who do not pay the Membership fee, have no voting rights and have limited rights as set out in the table below for a maximum period of twenty (20) months in order to get data exchange systems up and running, prior to becoming Full or Associate Members. Following expiry of the maximum period, if a proof of the Member's efforts in working towards data exchange is provided, the Member is granted four (4) additional months, after which it needs to comply or be revoked Membership;
4. **Members in Arrears**, who are Members that have not paid their Membership fee after 15 months from when the invoice was sent to them.

The table below sets out requirements and rights associated with each Membership category:

Membership category	Full	Associate	Expansion	in Arrears
<b>Requirements</b>				
Deed of Accession	X	X	X	X
Ability to exchange data	X	X	working towards data exchange	X
Membership fee	X			X
<b>Rights</b>				
Voting rights	X	X only in agreements		
Participation in PRIME General Assembly	X	X	X	X
Participation in PRIME Committees and Task Forces	X	X	X	X
May chair PRIME committees or Task Forces	X			
May be on PRIME Board	X			
May join PfP agreements	X	X		X
Use of GCSS	X	X		X

Only Full Members have voting rights.

PRIME Membership entails exchanging data with other Members for at least one of the following PRIME Agreements: Registered, Exprès, Tracked and IMRS. New Members have 20 months to get their data exchange system up and running. The use of the Global Customer Service System is mandatory in case of signatories to the Registered agreement; it is recommended in case of Exprès, Tracked and IMRS.

All Designated Operators joining PRIME will be required to sign an authorization form so as to authorize the UPU to copy IPC, on behalf of PRIME, with all data (ITMATT, PREDES, RESEDES & EMSEVT Messages, etc.) exchanged about letter products and packets so that performance reports can be produced, as long as IPC continues to provide reports services to PRIME.

Any data, which IPC has access to as a result of the services it provides to PRIME Members, shall only be used for PRIME, unless Members instruct PRIME otherwise. This specific information needs to be part of the Customer Service Framework (CSF) with IPC. The CSF will include all services provided to PRIME by IPC.

Cost of services supplied are re-billed to PRIME Members as agreed with the Head of PRIME and approved in advance by the General Assembly that may decide another bursar or supplier for all or part of the services mentioned above, at any time, with adequate notice to IPC.

The PRIME activities are carried out by the PRIME Management Team, that is composed by the Head of PRIME and three staff members.

The Head of PRIME is selected by the Chair, plus two other Members, advised by outgoing Head of PRIME. IPC may advise on recruitment/legal technicalities. Other PRIME Management Team members, if hired under permanent contracts, are selected by the Head of PRIME and at least two other Members, but the final choice shall be the Head of PRIME's decision. The process above is not applied for the recruitment of PRIME Management Team members employed as contractors.

## 2 PRIME Board

### 2.1 PRIME Board Constitution and Members

The Board consists of seven (7) representatives, elected *ad personam* by the General Assembly, as follows:

- The PRIME General Assembly Chair (also Chair of the PRIME Board);
- The two Vice Chairs;
- Four (4) Members (preferably from different geographical regions).

The Head of PRIME is secretary to the Board.

The Board reports to the General Assembly.

A Member may only have one representative on the Board (including the PRIME Chair and the Vice Chairs).

Applications can only be presented by Members that are at least signatories to one of the PRIME Agreements and that are Full Members.

PRIME Members that are also IPC members can have a maximum of four Board seats.

All Board members are appointed by the PRIME General Assembly.

If there is more than one applicant per each open position, an election will be held. A CV and a motivation letter for each candidate shall be circulated by the Head of PRIME inviting the Full Members to express their vote via email. The election is by simple majority and the candidate that receives more votes is elected.

The candidacies of the Chair and the Vice Chairs shall be supported by a representative of their own Post and seconded by another PRIME Member.

The Chair and the two Vice Chairs shall serve for two (2) years and may be confirmed for a further mandate of two (2) years. When acting as Chair or Vice Chair during meetings, they shall be objective and represent the entire Membership's interest. At least one Vice Chair shall attend each General Assembly meeting.

Board members shall be elected for a mandate of two (2) years and are eligible for a second mandate of two (2) years.

Board members who are unable to attend two consecutive Board meetings in a row shall relinquish their position on the Board.

Should a Board member resign, the General Assembly shall be immediately notified by email by the Head of PRIME together with a call for applications to fill the position.

## **2.2 The Role and Responsibilities of the Board**

The Board acts as the executive branch of the General Assembly to improve and fulfil the PRIME activities. Therefore:

- The Board can make decisions without further approval by the General Assembly within a budget of 30.000 € per decision;
- If activities are not feasible within the threshold established above, the Board may seek an increase in the budget, for the particular item, from the General Assembly by teleconference or by the Head of PRIME, provided a majority of the Full Members votes and approves;
- The Board decides on the approval of new Members;
- The Board is free to negotiate with suppliers on PRIME-related issues/reports within the above-mentioned threshold.

The Board makes recommendations to the General Assembly for decision on matters related to the operation of the PRIME services. In particular the Board:

- Formulates business plans setting out the strategies, General Assembly work plans, and criteria required to achieve the objectives of PRIME to be carried out by the Head of PRIME and the PRIME Management Team;
- Formulates budget plans necessary for the support of the PRIME activities;
- Formulates suggestions to amend the PRIME Agreements or the structure of PRIME;
- Evaluates suggestions or requests formulated by the Committees and Task Forces or by the PRIME Management Team aimed at enhancing the PRIME activities;

- Proposes amendments to these procedures and submits them to the General Assembly for approval;
- Submits reports on the activities undertaken on behalf of PRIME.

The Board shall work with the Committees.

## 2.3 Board Meetings

The Board meetings shall be held at least four (4) times a year, two (2) of which shall take place *circa* UPU or General Assembly meetings. Additional Board meetings may be convened at the request of the Chair or by at least four (4) Board members.

Board meetings may be conducted by physical meetings, telephone conferences or by other means.

Board members' travel and subsistence expenses shall be the responsibility of the Designated Operator and not of PRIME.

Decisions during Board meetings shall be made by consensus whenever possible. However, when voting is used during a Board meeting, all decisions shall be taken by a simple majority of the votes of the Board members present, either in person or represented by proxy.

The quorum necessary for conducting Board meetings shall be four (4) Board members.

Each Board member shall have one vote.

Voting may be via proxy, if necessary. Each Board member can hold one proxy only.

## 3 Meetings

### 3.1 General Assembly Meetings

The General Assembly shall meet twice a year. One of the meetings shall be in conjunction with the POC and CA meetings in Bern, if possible. The Prime General Assembly costs for hall rental, lunch, coffee, etc. as necessary may come out of the PRIME budget. The dinner shall be the responsibility of each person participating. However, the Head of PRIME has the discretion to make a contribution from the PRIME budget for dinner and refreshments.

The final agenda of each meeting will be circulated by the Head of PRIME to Members via email at least fourteen (14) days before the agreed meeting. However, Members may add other items under AOB provided those items do not require a decision

If a PRIME Member cannot attend a PRIME General Assembly, they may give their proxy to a fellow PRIME Full Member, or to the Head of PRIME. A Full Member can hold a maximum of two proxies. The Head of PRIME can hold an unlimited number of proxies. If voting instructions are not given to the Head of PRIME, that nullifies the proxy.

In exceptional situations, a meeting can be called by the Chair or by the Head of PRIME on the Chair's behalf, or by a group of at least four Members. In the case of a group of Members requesting an extraordinary General Assembly meeting, the group is required to send a written request for the meeting to the Chair stating the reason for the meeting and the suggested agenda. The request must be sent at least fourteen (14) days prior to the requested

date. The Chair must, via the Head of PRIME, notify the Members of an exceptional General Assembly meeting, in the normal way, giving at least seven (7) days' notice.

Issues having a financial or a legal impact must be explicitly noted in the General Assembly agenda for a decision to be made at that meeting. In addition, a written proposal must be circulated in the meeting document. The absence of a specific item on the agenda would not preclude a General Assembly discussion on the topic. A Member wishing to propose a financial or legal matter for decision by the General Assembly must send the written proposal to the Head of PRIME at least twenty-one (21) days prior to the meeting.

The minutes of each meeting should be circulated to members by email within thirty (30) days of the date of the meeting. If no objection has been raised within fourteen (14) days of the issue of the minutes, these minutes shall be considered adopted. Objection/comments must be raised via email addressed to the Head of PRIME, who will review the minutes and circulate them, if needed, to the General Assembly for adoption.

### **3.2 Regional Meetings**

Regional meetings may take place, in coordination with the Head of PRIME. These meetings can make recommendations to the General Assembly but do not have decision making authority.

### **3.3 Committees, Task Forces and Subgroups Meetings**

Committees are composed of at least four (4) members. Upon request of a Member or of the PRIME Management Team, *ad hoc* Task Forces and Subgroups may be formed, from time to time, to prepare recommendations for the General Assembly. The Head of PRIME will call for volunteers and at least three (3) Members shall participate to constitute a Task Force or a Subgroup. These Task Forces and Subgroups may be chaired by a Full PRIME Member or by the Head of PRIME.

### **3.4 PRIME Agreements Steering Committee Meetings**

PRIME Agreements Steering Committee meetings can occur any time that a discussion is needed, or a decision must be taken under each agreement. All signatories to the PRIME Agreements have voting rights for the agreements they participate in, no matter what category of Members they are in. The rules on how the meetings should take place are set out in each of the PRIME Agreements, but where a matter is not covered by the individual agreements, the rules of the General Assembly will apply to the PRIME Agreements.

## **4 Voting**

### **4.1 Quorum and validity of deliberations**

The General Assembly meeting can only proceed, deliberate, and make decisions if a simple majority (at least 50%+1) of the Full Members are present, either in person or represented by proxy, and the meeting has been duly convened.

The number of participants must be validated at the beginning of each meeting, the meeting is considered valid only if the quorum is reached. If quorum is not reached, the meeting cannot

proceed. Once the quorum is reached, decisions made during the General Assembly meetings are applicable to the full list of PRIME Members.

If Full Members, who were counted among the participants, must leave before the meeting is over, they shall declare their intention to leave by email or orally to the Chair and to the PRIME Management Team. The number of Full Members leaving the meeting shall be deducted from the participants' list and a check to determine if quorum is still valid shall be done.

If, during a meeting, the number of Full Members falls below the quorum to conduct a meeting, the meeting shall be adjourned as no decision can be made.

## **4.2 Voting Procedure**

Only PRIME Full Members have the right to vote. Each Full Member shall have one vote.

Decisions to amend these Rules of Procedure require a two-thirds (2/3) majority of Full Members present, either in person or represented by proxy. All other decisions shall be taken by a simple majority of the votes cast by Full Members present, either in person or represented by proxy. Every effort should be made to have a consensus.

If there are several proposals on one subject, each proposal shall be considered and voted upon individually, starting with the proposal that is furthest from the current situation, until a simple majority is achieved for one of the proposals. If the proposal being voted on does not achieve the support of a simple majority, that proposal shall be rejected, and the next proposal be considered and voted upon. If none of the proposals obtains the support of a simple majority, all proposals are rejected.

In case of a tie, another round of voting shall take place.

Votes can be either "Approve", "Reject", or "Abstain".

Votes which read "abstain" are counted as cast votes. If a Full Member does not vote at all, their position is not counted as cast votes, but the quorum is not affected if the Member is still present.

If, during a meeting, the number of Full Members present goes below the quorum to conduct a meeting, the meeting shall be adjourned as no decision can be made.

## **4.3 Online voting**

If the meeting is held online, the voting process shall take place via email during the meeting. The Chair or the Head of PRIME shall clearly present the proposal that is the subject of the voting.

Full Members will have a three (3) - minute period to submit their vote by sending an email to the Head of PRIME and to at least one additional member of the PRIME Management Team, as indicated at the meeting, in order to allow for a double check.

For the vote to be validly expressed, the voting Member shall indicate in the "Subject" of the email only the following information:

- a. Its country code;
- b. The title of the proposal; and



c. Its vote: either “Approve”, “Reject”, or “Abstain”.

For example: AE - 2023 budget - Approve

The email shall not contain other wording than the above. Any deviation from the above will result in the vote being considered non-valid and not counted.

At the end of voting process, the Chair shall invite the Head of PRIME to read the list of Full Members that voted. Any Full Member that submitted a vote but is not named by the Head of PRIME as having cast a vote shall immediately notify the Chair and the Head of PRIME. No vote shall be considered after this confirmation process has ended.

The Full Members holding proxies shall cast the proxy vote during the online voting, by sending a separate email for each proxy, in accordance with the instructions under this Article.

Votes shall be counted during the online meeting and the result shall be announced at the online meeting.

Full Members are expected to participate for the entire duration of the meeting. If Full Members, who were counted among the participants, must leave before the meeting is over, they shall declare their intention to leave by email to the General Assembly Chair and to the PRIME Management Team. They may provide their written proxy to either a Full Member or the Head of PRIME. The number of Full Members leaving the meeting shall be deducted from the participants' list, unless a proxy was provided. A check to determine if the quorum is still valid may be done, if needed.

To check the quorum, once all votes are counted, any Full Member that did not provide a response on an item for decision will be asked to confirm their response. The number of Full Members that did not vote and did not reply when asked for their position will be deducted from the total number of Full Members participating.

If, during a meeting, the number of Full Members goes below the quorum to conduct a meeting, the meeting shall be adjourned as no decision can be made.

#### **4.4 Voting at hybrid meetings**

If the meeting is held in a hybrid format, with some participants attending online, the voting shall take place following the online voting procedure.

## **5 Decisions**

### **5.1 Amendments to PRIME Agreements**

A simple majority of all the signatories present, absent and represented by proxy, are required for decisions amending the annexes to the PRIME Agreements. Any changes to the main agreements are decided by a simple majority. The consequent amended agreement must be signed by those signatories agreeing the change.

### **5.2 Budget**

Decisions relating to the Budget require the agreement of a simple majority of all Members either present or represented by proxy.

Classification of countries and territories for Terminal Dues and Quality of Service Fund (QSF) is determined, as per UPU latest country classification.

The budget for the following year shall be agreed at the first General Assembly meeting of the previous year.

Full Members shall pay a Membership fee with categories based on UPU contribution units 0.5, 1, 3, 5 to 19, 20 to 49, and 50 units or IPC shares, ranking from 5 to 110. IPC shares are divided by two.

The total fee is composed of 95% overhead costs and 5% of Members' volumes (Express, IMRS, Insured, Registered and Tracked). A levy of 15% is added to the total fee only for non-IPC Members.

In addition:

1. Small Members, whose territory is part of a mother territory, are exempt from the PRIME Membership fee if their volume does not exceed 20,000 items (for period 1 January to 31 December of the year preceding the General Assembly meeting, where the budget for the following year is agreed). With equal or more than 20,000 items, the Membership fee is 500€. If the volume exceeds 100,000 items, the Membership fee is 1,000€.
2. Other territories that have contribution units separately from their mother territory are treated under the contribution category that they belong to.
3. In the case of Members with a cumulative contribution unit, the cumulative unit is divided by the number of territories / operators with a minimum of 0.5 units to be applied.
4. Associate Members of UPU group 4 are free indefinitely or until they become a target country, or they sign one of the PRIME Agreements.
  - a. The Associate Membership fee depends on the volume of PfP items (for period 1 January to 31 December of the year preceding the General Assembly meeting, where the budget for the following year is agreed). With volume less than 100,000 items, the Associate Membership fee is 500€; with volume between 100,000 and 1,000,000 the Associate Membership fee is 1,000€. Associate Members with PfP volume exceeding 1,000,000 items pay the full Membership fee;
  - b. For Associate Members that are non-IPC Members, a levy of 15% is added to the Associate Membership fee;
  - c. Associate Members should never pay more than they invoice as a result of PfP remuneration. If the calculated Associate Membership fee is more than the Associate Member received through PfP (for period 1 January to 31 December of the year preceding the General Assembly meeting, where the budget for the following year is agreed), the Associate Membership fee will not be charged.
  - d. Members do not pay the Associate Membership fee in their first year after their accession to the agreement, as there is no full year of PfP volume to define the Associate Membership fee.

### **5.3 Arrears of Payment**

In case of arrears of payment by a Member, the following measures will enter into force fifteen (15) months after the invoice has been sent out:

1. Withdrawal of voting rights and the right to chair any committees and to be a Member of the Board (participation in Committees and attendance of the General Assembly is still allowed);
2. Stop inbound reports and all PRIME access, including the Global Customer Service System.

PRIME Membership is revoked two (2) years after implementing the first set of measures. The case is reported to the General Assembly.

The General Assembly may decide by simple majority not to apply the measures above if failure to pay is due to Force Majeure.

The Head of PRIME shall send out an email regarding arrears of payment to all General Assembly Members and communicate the measures privately to the Member in arrears.

Members from UPU group 4 can only have an arrear of payment if they are signatories at least of one of the PRIME Agreements.

#### **5.4 Amendments of PRIME General Assembly Procedures**

To amend these General Assembly Procedures a majority of two-thirds (2/3) of Full Members present, either in person or represented by proxy, is required.

## Annex A: Definitions

**Associate Members:** UPU group 4 Members and have no voting rights

**Board:** Seven PRIME Members working on PRIME matters. It reports to the General Assembly

**Expansion Members:** Members that are in a maximum period of twenty (20) months in order to get data exchange systems up and running, prior to becoming Full or Associate Members

**Force Majeure:** the occurrence of an unavoidable force or of an unforeseen event, beyond the control of the Member, making it materially impossible in the circumstances to perform the payment obligation

**Full Members:** Members who pay the Membership fee and have voting rights

**General Assembly:** The highest decision-making body of PRIME. It is composed of all PRIME Members

**GCSS;** Global Customer Service System

**Head of PRIME:** The person who is responsible for managing the PRIME activities and the PRIME Management Team

**IPC:** International Post Corporation

**PfP:** Pay for Performance

**PRIME Agreements:** IMRS, Exprès, Registered and Tracked

**PRIME Management Team:** Human Resources that manage the PRIME activities

**PRIME:** Designated Postal Operators (158 as of the date of approval of this document) working together in the tracked packet area

**QSF:** Quality of Service Found within the UPU

**Small Members:** Small Members are those Members whose territory is part of a mother territory

**UPU:** Universal Postal Union