

# **SPE INTERNATIONAL CONSTITUTION**

**As adopted 25 September 2004,  
Revised 21 September 2008,  
and 4 October 2009**

## PREAMBLE

The Society of Petroleum Engineers (hereafter referred to as “Society” or “SPE”) is a collective group of entities whose individual members affirm their commitment to SPE’s mission as defined in Article 4 of this Constitution.

Furthermore, the Society is a transnational technical and professional society serving members engaged in the exploration, development, production and mid-stream segments of the oil, gas, and related industries. This Constitution provides guidance for governing the Society’s global operations to deliver services to members in furtherance of SPE’s mission and principles.

## SECTION I DEFINITIONS

### **At-Large Director**

A position on the Board from the membership at-large, who thus does not represent a particular SPE region or technical discipline. At Large Directors are elected as described in Section IX.

### **Geographical Section**

A semi-autonomous, largely self-governed unit of members in a particular geographic area as approved by the Board of Directors. A more complete description of Geographical Sections is provided in Article 17.

### **National Council**

An advisory group that provides a framework for sections within a country to pursue common interests. A more complete description of National Councils is provided in Article 20.

### **Regional Council**

An advisory group that provides a framework for sections within a multi-country area to exchange information, coordinate activities, and pursue common interests. A more complete description of Regional Councils is provided in Article 20.

### **Regional Director**

A position selected to provide representation on the Board for an administrative region of SPE. Regional Directors are elected as described in Section IX.

### **Regional Subsidiary**

An incorporated unit established to provide services to Members in a prescribed region of the world. A more complete description of Regional Subsidiaries is provided in Article 21.

### **Regional Subsidiary Board of Directors**

A group of appointed members responsible for ensuring the financial viability of the subsidiary and conformity with the laws of the country of incorporation

### **Section**

A term used to describe either a geographical section, a technical section, or both

### **SPE Board of Directors or SPE International Board of Directors**

The policy-making and governing body of SPE

### **SPE Officer**

An SPE board leadership position; includes the President, President Elect, Past President, Vice President Finance and Executive Director

### **Standing Committee**

A Board appointed group of members organized to provide direction for SPE activities, programs, and events

### **Technical Director**

A position selected to provide representation on the Board for one of SPE's six technical disciplines. Technical Directors are elected as described in Section IX.

**Technical Section**

A board-endorsed, semi-autonomous, largely self-governing unit of members interested in a particular technical subject area. A more complete description of Technical Sections is provided in Article 18.

## SECTION II LEGAL STRUCTURE

### Article 1 Legal status

The Society of Petroleum Engineers comprises several entities organized under the laws of their respective countries. The Society acts under this Constitution with all rights and obligations of a corporate body with a legal personality.

### Article 2 Directors

The Society nominates and seats a Board of Directors (“Board”) according to the provisions in Section IX. These Directors set the strategic direction for the organization, establish global policies and oversee the Society’s global operations.

### Article 3 Legal Entities

The Society is an assemblage of several distinct legal entities including the SPE Stichting, based in The Netherlands, and several Regional Subsidiaries as described in Article 21 (refer to Table A). Each entity has its own board of directors.

Actions with financial impact to a Regional Subsidiary approved by the Board must also be ratified and adopted by each affected Regional Subsidiary Board for full implementation.

## SECTION III MISSION AND GENERAL OBJECT OF THE SOCIETY

### Article 4 Mission

To collect, disseminate, and exchange technical knowledge concerning the exploration, development and production of oil and gas resources, and related technologies for the public benefit; and to provide opportunities for professionals to enhance their technical and professional competence.

### Article 5 General Object

The Society is organized and shall be operated exclusively for charitable, scientific, literary, and educational purposes to achieve the mission as defined above.

SPE generally achieves its mission through:

- Organizing conferences, workshops and exhibitions
- Publication of magazines, technical journals and books, in print and online
- Online archival of technical papers
- Continuing education
- Certification of petroleum engineers
- Student and young professional programs
- Education of the public on energy matters
- Programs for local Sections and Student Chapters

### Article 6 One SPE Guiding Principles

SPE's mission is further defined by the One SPE Guiding Principles adopted by the Board in September 2001:

The Society of Petroleum Engineers is a diverse community of professionals that provides valuable knowledge and services to those professionals and to the industry in varied forms.

The concept of One SPE reflects the goal that each function and activity of the Society should serve the broader membership while addressing local needs, supporting technical and professional excellence, and making wise use of Society resources.

The voluntary donation of time and talent by SPE members is our most vital asset and the creative energy of volunteers must be encouraged and supported by the Society.

### Article 7 Society Governance

Each SPE entity shall act in conformity with the laws of the country of incorporation and, to the greatest extent possible, incorporate the principles of this Constitution into its bylaws and operations.

## SECTION IV MEMBERSHIP

### Article 8 Members of the Society

The membership of each of the Society's legal entities shall not be limited by age, race, color, creed, religion, sex, national origin, or disability status, but shall be limited to those individuals who fulfill membership requirements, including payment of dues and fees, and who receive endorsement of qualifications for membership as shall be established by the Board of Directors. The following shall be grades of membership:

- a. Member - An individual may be considered for membership as a Member in the Society if he/she:
  - Is employed in work related to the petroleum industry; **AND** either
  - Holds a university degree equivalent to a four-year bachelors degree or higher in engineering or basic or applied sciences; or
  - Holds a two-year science or engineering degree; or a 4-year degree in a field other than science or engineering
  - Has six (6) years' of active practice in support of the petroleum industry.
- b. Student Member - An individual may be considered for membership as a Student Member in the Society if he/she:
  - Is currently enrolled as a university student with at least 30% of a full-time academic schedule and is concentrating in petroleum engineering or a related field; **AND** either
  - The degree he/she is pursuing is equivalent to a bachelors or graduate degree, **OR**
  - His/her university has an established, SPE board-approved Student Chapter
- c. Recent Graduate - An individual may be considered for membership as a Recent Graduate in the Society if he/she:
  - Was an SPE Student Member who graduated within the immediate past one-year period from a course of study leading to an undergraduate or graduate degree in petroleum engineering or a related field. Members may remain in this grade for one year.

### Article 9 Special Members

The Board of Directors may approve certain designated Members to special classifications of membership. All of the Society's entities will recognize these special classes of members. Initially, these classifications of membership shall be as follows:

- a. Honorary Member - To be designated to this classification of membership he/she:
  - Must have received recognition for outstanding service to the Society, and/or recognition of distinguished scientific or engineering achievement in the fields the Society embraces, and must be elected as an Honorary Member by the Board of Directors.

- b. Legion of Honor Member - To be designated to this classification of membership he/she:
  - Must be a Member of the Society or its predecessor organization(s) for fifty (50) consecutive years.
- c. Distinguished Member - To be designated to this classification of membership he/she:
  - Must have received recognition for outstanding contributions to some phase of professional activity encompassed by the Society, must have achieved distinction as an eminent authority in some aspect of petroleum engineering, must have exhibited notable and outstanding service to the Society and must be elected as a Distinguished Member by the Board of Directors.
- d. Senior Member - To be designated to this classification of membership he/she:
  - Must be a Member and must be eligible on 1 January of the 30th year or greater of continuous membership in the Society or its predecessor organization(s) and have attained age 65 or greater. Special cases may be approved by the Finance and Administration Committee if the Member has reached age 60, has at least thirty (30) years of continuous membership in the Society or its predecessor organization, and is retired.
- e. Life Member - To be designated to this classification of membership he/she:
  - Must be a Member who makes a single payment in an amount equal to twenty (20) times the dues of the grade in which he/she is enrolled.
- f. 25 - Year Member - To be designated to this classification of membership he/she:
  - Must have twenty-five (25) years of consecutive membership (excluding any years as a Student Member) in the Society or its predecessor organization.

#### Article 10 Dues and Fees

The Society Board of Directors shall establish dues and fees for all grades of membership.

#### Article 11 Privileges

All grades and classifications of members shall be entitled to all privileges of membership except that Student Members shall have no vote nor be entitled to serve as officers or directors of the Society, other than as an officer of a student chapter.

#### Article 12 Resignations and Terminations

The Board of Directors shall set terms and conditions governing resignations and terminations of membership in the Society.

#### Article 13 Member Rights

The rights of each member shall include, among others:

- a. to be represented in, and to participate in, the work of the Society with the right to vote;

- b. to stand for election, and to nominate candidates, to all official bodies of the Society;
- c. to submit proposals to the Society and to other bodies of the Society; and
- d. to assemble in sections or chapters (defined later in this document) for the enjoyment of the individual members.

#### Article 14 Member Duties

The duties of each member shall include, among others:

- a. to support the Society in the pursuit of its general object and to apply the decisions adopted by the Society and by the Board;
- b. to ensure that the mission and One SPE Principles are carefully observed in the activities of the Society;
- c. to remit annual dues to the Society as approved by the Board; and
- d. to encourage individual and company participation in the Society's activities.

## SECTION V ORGANIZATION

### Article 15 Board of Directors

The Board of Directors is nominated by the Society according to the provisions in Section IX.

The functions of the Board shall be, among others, the following:

- a. To develop a global strategic vision for the future of the society;
- b. To act as the permanent body of leadership, liaison, and coordination among the Society entities and to provide operational assistance;
- c. To promote the Society's mission within the industry for the betterment of society;
- d. To direct resources among the entities;
- e. To encourage and coordinate membership growth and the establishment of member sections and student chapters;
- f. To be the official representative of the Society in the international field;
- g. To coordinate consistent and fair delivery of services to each entity and every individual member;
- h. To set global policies, including, among others, organizational structure, membership criteria, dues rates, financial budgets, and investment strategies;
- i. To appoint the Executive Director of the Society (the "Executive Director");
- j. To set up bodies, including, among others, those with legal status, required for the activities of the Society and to appoint their members;
- k. To designate, on the recommendation of the Audit Committee, a firm of chartered accountants as external auditors;
- l. To approve, on the recommendation of the Finance and Administration Committee, the plans and, with a qualified majority of sixty percent of the Board members present and voting, the budgets, and the financial reports of the Society.

### Article 16 Board of Directors Authority

The Board has final approval authority on all Society matters, including those matters that may be delegated to one of the Society Board Committees or to other Society committees for handling.

As part of its regular activities, the Society Board shall regularly review programs assigned to Society Board Committees and standing and ad hoc committees, and shall formally review and approve any specific action or comment on the actions taken by such committees. Furthermore, the Board of Directors shall, among others, have the following duties and authority:

1. Approve by consent or specific action all actions of Society ad hoc or standing committees (including the ~~five~~ Board Committees: Board Committee on Finance and Administration, Board Committee on Membership, Board Committee on Education and Professional Activities, Board Committee on Print and Electronic Media, ~~and~~ Board Committee on Technical Programs and Meetings, and Audit Committee);

2. Review/approve all standing and ad hoc committee reports not reviewed by Board Committees;
3. Approve all SPE policy statements and revisions to policy statements;
4. Approve all standing and ad hoc committee appointments;
5. Review/approve all financial matters, including budgets, budget forecasts, reports, and income and expense statements; and,
6. Approve proposals for new meetings bearing the Society's imprimatur and sponsored by SPE or co-sponsored by SPE with other organizations.

#### Article 17 Geographical Sections

Geographical sections are semi-autonomous units and are largely self-governing. Regulations in some host countries require groups like sections to register or incorporate. Sections are directly responsible to their Articles of Association, By Laws, Directors, and the SPE Section Operations Manual, and Sections are additionally subject to the authority of the Society's officers, ~~and~~ Board of Directors, and the SPE International Constitution.

Any group of SPE members in a particular geographic area can submit an application for formation of a new section. SPE members are assigned to an SPE section on the basis of preferred mailing address. Members can affiliate with additional sections for an additional charge. The Board of Directors recommends the following procedures:

1. Determine that there are at least twenty-five (25) members residing in the geographical area to be encompassed by the new section;
2. .... Outline the precise geographical area (jurisdiction) to be included in the proposed section;
3. Conduct an organizational meeting with all interested members and establish a temporary organization including temporary officers;
4. Develop a draft constitution for the proposed section;
5. Adopt a name for the proposed section;
6. Submit the names and addresses of the temporary section officers, a formal petition signed by at least fifteen (15) SPE members to the respective regional SPE entity office; and
7. The regional SPE entity Board will review the proposed jurisdiction and will take steps to obtain formal approval for formation of the new section by the Society Board of Directors.

SPE Sections are grouped into administrative regions as approved by the Society Board of Directors.

#### Article 18 Technical Sections

Technical sections are semi-autonomous units and are largely self-governing. Technical Sections are directly responsible to the Technical Sections Operating Guidelines and Officers, and

are additionally subject to the authority of the Society's officers, Board of Directors, and the SPE International Constitution.

Any group of SPE members interested in a particular technical subject area can submit an application for formation of a new technical section. Members can affiliate with technical sections in accordance with the provisions of the constitution for that section. The Board of Directors recommends the following procedures:

1. Determine that there are at least twenty-five (25) members that share a common interest in a defined subject area;
2. Outline the precise technical subject area (jurisdiction) to be covered by the proposed section;
3. Conduct an organizational meeting with all interested members and establish a temporary organization including temporary officers;
4. Develop a draft constitution for the proposed section;
5. Adopt a name for the proposed section;
6. Submit the names and addresses of the temporary section officers, a formal petition signed by at least fifteen (15) SPE members to the appropriate Technical Director; and
7. The sponsoring Technical Director will review the proposal and will take steps to obtain formal approval for formation of the new section by the Society Board of Directors.

SPE Technical Sections are aligned with a relevant Technical Discipline as approved by the Society Board of Directors.

## Article 19 Student Chapters

Student Chapters are semi-autonomous units and are largely self-governing. Most student chapters are unincorporated. Regulations in some host countries require groups like chapters to register or incorporate. Student Chapters are directly responsible to their Operating Guidelines, Officers and the SPE Student Operations Manual, and additionally are subject to the authority of the Society's Officers, Board of Directors, and the SPE International Constitution.

The SPE Board of Directors has established the following guidelines for formation of SPE student chapters:

1. There should be a minimum of fifteen (15) SPE student members attending an institution to consider the formation of a chapter;
2. The student members must request sponsorship of the proposed chapter by an SPE section; generally, the section is the one nearest to the institution;
3. A Faculty Sponsor must be selected by the students;
4. The Petition for SPE Student Chapter Form must be signed by at least the minimum of fifteen (15) student members wishing to form the chapter, by the proposed Faculty Sponsor, and by the Faculty Sponsor's departmental head;
5. A meeting must be called to elect provisional officers to serve at least until the chapter has been awarded a charter; and

6. The formation of the chapter must be approved by the SPE Board of Directors.

## Article 20 National and Regional Councils

National and Regional Councils provide a framework for sections within an appropriate geographic area to pursue common interests, collaborate, and exchange information. National council jurisdictions are only within a single country. Regional Councils may not necessarily follow SPE regional boundaries, thus the jurisdiction of Regional Councils is described as appropriate geographic area.

Councils are advisory in nature and have no governing authority over the participating sections. National and Regional Councils must operate consistent with policies approved by the Board and are additionally subject to the authority of the Society's Officers, Board of Directors, and the SPE International Constitution.

The Board of Directors has established the following guidelines for formation of National and Regional Councils:

A council may be formed in a country or geographic region where SPE has at least two sections;

1. A council operating plan must be created and approved by a majority of sections in the council. The operating plan must define the council's purpose, membership (sections), jurisdiction, officer responsibilities, and procedures to be used in its establishment and operation. Use of the "Model Guidelines for SPE Councils" is encouraged. This document will function as the operating plan. All Sections in the country or region covered are eligible, but not required, to participate, regardless of whether they voted to approve the formation of the Council.
2. A majority of Sections to be included in the council must approve in writing:
  - a. The formation of the council
  - b. The council operating plan/model guidelines
  - c. The council officers;
3. A written request to form the council must be submitted to SPE along with proof of approval from a majority of sections in the council as stated in item 3, the council operating plan/model guidelines, and a list of council officers.

## Article 21 Regional Subsidiaries

Regional Subsidiaries are incorporated units established to provide services to SPE members in prescribed regions of the world. Regional Subsidiaries are directly responsible to their respective Articles of Association, By Laws, and Directors, and additionally are subject to the authority of the Society's officers, Board of Directors, and the SPE International Constitution.

Regional Subsidiary Boards have a responsibility to ensure the financial viability of the subsidiary and conformity with the laws of the country of incorporation.

## Article 22 Other Groups

The Board may, from time to time, designate other member groups that further the mission, vision, and objectives of the Society. Members joining these groups will have common interests, either technical or professional. These groups will have no governance authority with respect to the Society.

## SECTION VI SOCIETY OFFICERS

The officers of the Society shall include the following: President, President-elect, Past President, Vice President Finance, Executive Director, and certain assistant officers. The duties of the officers of the Society are as follows:

The President is the highest officer of the Society. The President shall be responsible to the Society for ensuring that the Society pursues its general object and exercises its functions as defined in the Constitution. The President acts under the authority of the Society and of the Board of Directors to guide the affairs of the Society in conformity with the decisions of the Society and the Board. The President may advise the Executive Director on implementation of these decisions, when necessary, in order to ensure the smooth functioning of the Society.

### Article 23 Duties of the President

1. Preside at any meetings of the SPE Board, Finance and Administration Committee, or general membership;
2. Take action on behalf of the Society without prior review of the Board of Directors on matters when, in his/her judgment, obtaining prior review would involve a delay, and such delay would jeopardize accomplishment of such action; provided that, in such cases and as soon as possible after the action has been taken, the President shall report his actions to the Board of Directors;
3. Refer all policy matters either to the Board of Directors or to one or more Board Committees;
4. Report to the membership on the year's operations at the Annual Technical Conference and Exhibition;
5. Request periodic reports from Society committee chairpersons and issue any instructions necessary for committee progress or cooperation;
6. Prepare a message to the membership to be printed in the September or October issue of Journal of Petroleum Technology during the year in which he/she takes office;
7. Instruct the Executive Director in all matters not covered under "Duties of the Executive Director" below;
8. Approve the expense account of the Executive Director and the Vice-President Finance;
9. .... When technical information or testimony on behalf of SPE is requested and time is lacking to consult the entire Board of Directors or all members of the Finance and Administration Committee, approve, along with the Executive Director, the technical information to be provided or appoint a person or persons to represent SPE;
10. When requested, recommend members to the AIME President or President-elect for consideration as Society representatives on AIME standing or special committees; and,
11. Appoint Directors to the Boards of the Regional Subsidiaries as approved by the Board;

12. Appoint members to ad hoc committees as necessary to carry out the work of the Society and appoint directors to serve as liaisons between such committees and the Board of Directors.

#### Article 24 Duties of the President-elect

1. ..In event of temporary absence or disability of the President, the President-elect shall perform the duties of the President;
2. In the event of a vacancy in the Presidency, assume that office for the remainder of the unexpired term (he/she shall then serve his own elected term as President); and
3. Appoint chairpersons and members of the standing committees by 1 September of the year in which he/she assumes office.

#### Article 25 Duties of the Past President

1. Serve as chairperson of the Nominating Committee;
2. Serve as a member of the Compensation Committee; and
3. In event of temporary absence or disability of the President and President-elect, perform the duties of the President.

#### Article 26 Duties of the Vice President Finance

1. With the help of the staff, prepare a consolidated budget of income and expense for the Operating Fund for approval by the Society Board of Directors at the first meeting in each calendar year (normally February-March);
2. ... During the year, review the income and expense statements with staff members and present a report on the budget to the Board of Directors at each Board meeting;
3. Serve as Chairperson of the Compensation Committee; and
4. Approve Society officer expense reports, except the Executive Director and his/her own.

#### Article 27 Duties of the Executive Director

1. Serve as the chief executive staff member of SPE in responsible charge of all operations and staff activities, in all of SPE's offices and subsidiaries;
2. Employ the necessary staff for the execution of SPE activities and train and supervise staff members for those activities;
3. Direct the travel of staff managers necessary for the execution of their duties and approve their expense accounts for such travel;
4. Maintain the official records of SPE and serve as custodian of these records;
5. Serve as steward of all funds and trusts;

6. Serve as the legal Secretary to the Board of Directors and prepare agendas and minutes for meetings of the Board and Finance and Administration Committee;
7. Assist the President and other officers and directors of the Society in the conduct of their duties;
8. Maintain liaison with the Executive Director of the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc.; and the Executive Directors of the AIME Member Societies;
9. Serve as a member of the Finance and Administration Committee; and
10. Serve as a member of the Compensation Committee.

## SECTION VII DIRECTORS

### Article 28 Classes of Directors

The Board of Directors establishes the number and titles of Directors who constitute the Society's governing body. There are four classes of directors -- Officers (the President, the President-elect, the Past President, and the Vice President Finance), At-Large Directors, Regional Directors, and Technical Directors.

### Article 29 Terms and Responsibilities of Directors

Terms of Directors shall be three (3) years or until their successors are elected. Regional Directors shall reside throughout their terms in the region they represent. If a Regional Director ceases to reside in the region the Director represents but desires to remain on the Board, the Regional section leadership may petition the Board of Directors to allow the Director to complete the remaining term. If the section leadership prefers to replace the Director, the nomination process shall follow the guidelines in Article 37.

No director shall be eligible to serve more than two (2) consecutive terms. Any director, including the Vice President Finance, appointed to fill a vacancy on the Board of Directors shall serve from the date appointed and shall begin a new three-year term to begin following the next Annual Meeting of Members. In the case of a director named to complete an unexpired term created by a vacancy, the partial term shall not be considered in determining consecutive terms. No person who is serving as an officer may serve at the same time as a Regional Director, Technical Director, or an At-Large Director; no person who is serving as a Regional Director may serve at the same time as an officer, Technical Director, or an At-Large Director; no person who is serving as an At-Large Director may serve at the same time as an officer, Technical Director, or a Regional Director; and no person who is serving as a Technical Director may serve at the same time as an officer, At-Large Director, or a Regional Director.

In addition to responsibilities for establishing Society policy and governing the Society's worldwide programs including all committees, sections, and student chapter programs, and in addition to their at large, regional and technical brief, directors also have Board committee duties as well as liaison duties with SPE standing or ad hoc committees. These assignments are made annually by the President.

### Article 30 Compensation

No director shall receive compensation for services as a director, Officer, or as a member of a standing or ad hoc committee of the Society. Nothing in this Constitution shall be construed to preclude any director or officer from receiving reimbursement for reasonable expenses properly incurred on behalf of the Society and approved by the Board of Directors.

### Article 31 Indemnification

The Society shall indemnify any present or former officer or director of the Society against all expenses, judgments, liabilities, fines, and costs of settlement imposed upon or reasonably incurred by such officer or director in connection with any claim or lawsuit imposed by reason of said officer or director having been an officer or director to the full extent permitted by respective national laws. Determination of reasonableness shall be made by the officers of the Society.

### Article 32 Removal of Director

Any director shall be removed from office upon a vote by three-fourths of the Board of Directors of the Society for actions or conduct deemed harmful to the Society following a review of circumstances by the Board of Directors.

## SECTION VIII BOARD MEETINGS

### Article 33 Schedule of Meetings

The Board must meet annually, typically in conjunction with the Annual Technical Conference and Exhibition. The President may call other Board meetings with at least twenty-one (21) days' advance notice.

### Article 34 Quorum

The presence in person or by written proxy of 2/3 of the members of Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at such meeting or vote. The act of a majority of the members of the Board of Directors voting at any meeting or at which a quorum is present shall constitute the act of the Board. If a quorum is not present at any meeting of the Board of Directors, the members present and entitled to vote at such meeting shall adjourn the meeting from time to time, without notice other than announcement at the meeting, until such time as a quorum is present. At any such adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened.

### Article 35 Special Meetings

Special meetings of the Board of Directors may be called by the President, upon the written request of five (5) members of the Board of Directors. The purpose of the meeting shall be stated in the call from the President. Except in cases of emergency, at least twenty-one (21) days' notice shall be given.

### Article 36 Electronic Ballots

Action taken by electronic (internet or email) ballot in which at least a majority of directors, in writing or by oral statement, indicated themselves in agreement, shall constitute a valid action of the Board of Directors. Such action shall be reported at the next meeting of the Board of Directors.

## SECTION IX ELECTIONS

The Board of Directors shall establish the timetable and approve procedures for election of officers and directors.

### Article 37 Nominating Committee

A Nominating Committee shall be responsible for nominating candidates for the President-Elect, Vice President Finance, Regional Directors, At-Large Directors, and Technical Directors. The Board of Directors shall approve the appointment of the members of the Nominating Committee.

The committee comprises the chairperson, who is the immediate Past President of the Society and additional members, as follows: incumbent Regional Director from each of the regional nominating committees submitting nominations for Regional Directors that year; At-Large and Technical Director(s), including the Vice President Finance, who complete terms that year; plus three (3) additional persons appointed by the presiding SPE President who represent a cross-section of the SPE membership to serve as at-large members. The current SPE President shall be a non-voting ex-officio member.

### Article 38 Regional Nominating Committees

As required, regional nominating committees shall be convened by each outgoing Regional Director, who shall serve as the non-voting chairperson of the committee. The committee shall consist of one representative from each section within the region. Each committee shall submit to the Society Nominating Committee at least two candidates as nominees for director of its region.

Nominees for Regional Directors are selected on the basis of providing representation on the Board for each administrative region of SPE. The Nominating Committee shall consider only the nominees of the regional nominating committees for Regional Director positions.

When an appointment is necessary due to the resignation of a Regional Director before the end of his or her term, a regional nominating committee shall be convened to submit nominees for the position to the Nominating Committee. The incumbent, resigning Regional Director shall serve as the non-voting chairperson of the regional nominating committee. Each section in the region shall have one representative on the committee. The regional nominating committee shall seek nominations for the vacated Regional Director position, and shall submit at least two nominations to the Nominating Committee for consideration. The Nominating Committee shall submit one nomination to the Board of Directors for approval.

### Article 39 Technical Discipline Nominating Committees

As required, technical discipline nominating committees shall be convened by each outgoing Technical Director, who shall serve as the non-voting chairperson of the committee. The Technical Director will invite at least 3 representatives of that technical discipline to participate in the nominating committee. Each committee shall submit to the Society Nominating Committee at least two candidates as nominees for Technical Director.

Nominees for Technical Directors are selected on the basis of providing representation on the Board for each technical discipline of SPE. The Nominating Committee shall consider only the nominees of the technical discipline nominating committees for Technical Director positions.

When an appointment is necessary a due to the resignation of a Technical Director<sup>2</sup>s before the end of his or her term, a technical discipline nominating committee shall be convened to submit nominees for the position to the Nominating Committee. The incumbent, resigning Technical Director shall serve as the non-voting chairperson of the technical discipline nominating committee. The Technical Director shall invite at least 3 members to serve on the technical discipline nominating committee. The technical discipline nominating committee shall seek nominations for the vacated Technical Director position, and shall submit at least two nominations to the Nominating Committee for consideration. The Nominating Committee shall submit one nomination to the Board of Directors for approval.

#### Article 40 At-Large Director or the Vice President Finance

When an appointment is necessary due to the resignation of an At-Large Director or the Vice President Finance before the end of his or her term, an ad hoc nominating committee, consisting of the members of the Finance and Administration Committee, shall be convened to submit nominees for the position to the Nominating Committee. The Past President shall serve as the non-voting chairperson of the ad hoc nominating committee. At least two nominations shall be presented to the Nominating Committee for consideration. The Nominating Committee shall submit one nomination to the Board of Directors for approval.

#### Article 41 Nominating Committee

The committee meets before the February/March meeting of the SPE Board of Directors and selects a single nominee for each of the following Society offices:

1. SPE President, who serves one year as SPE President-elect, one year as SPE President, and one year as SPE Past President;
2. As required, SPE Vice President Finance for a three-year term; and
3. As required, At-Large, Regional, and Technical Directors, who serve three-year terms.

Before choosing nominees for the SPE officers or At-Large Directors, members of the Nominating Committee shall solicit nominations from the officers and directors of SPE, SPE committees, SPE sections and SPE members. In choosing nominees, the Committee shall give first consideration to those persons who have qualified themselves for office by virtue of prior service to SPE. The Nominating Committee, regional nominating committees, and the Technical Director Nominating Committees are furnished an office record by the Executive Director, which shows those active members with prior service. This list is a guide in the selection of nominees.

When an appointment is necessary due to the resignation of a director or officer before the end of his or her term the Nominating Committee shall be reconvened to submit a nominee for the position to the Board of Directors.

## Article 42 Member Petition

The Board of Directors shall report the nominations of the Nominating Committee for all classes of directors annually in the April issue of Journal of Petroleum Technology. Additional nominations may be submitted to the Board of Directors in the following manner:

- a. Additional nominations for President Elect, Vice President Finance, and At-Large Directors may be made by petition from at least one percent (1%) (as of 1 January of that year) of the voting members of the Society, provided that such nominees meet the requirements for the position. Such petitions shall be sent by mail or facsimile to the attention of the SPE President at the SPE office in Richardson, Texas U.S.A. no later than 1 June of that year. If additional nominations are received for one or more of these positions, on or about 1 July a ballot showing all of the nominees for the position(s) concerned shall be distributed to all voting members in the July issue of Journal of Petroleum Technology.
- b. Additional nominations for Regional Directors and Technical Directors may be made by petition from at least one percent (1%) of the voting members within that region or technical discipline; provided, however, that in the case of Regional Directors, except as otherwise determined for good cause by the SPE President, no more than seventy-five percent (75%) of the petitioners shall be from any one section within the region. Such petitions shall be sent by mail or facsimile to the attention of the SPE President at the SPE office in Richardson, Texas U.S.A. no later than 1 June of that year. If additional nominations are received for Regional or Technical Director positions, on or about 1 July a ballot showing all of the nominees for the positions concerned shall be submitted to all voting members residing in the particular region or technical discipline for which a nomination for director was made.
- c. Petitions must contain the following information, (a sample petition is available from SPE offices): 1) position (office) for which the petition for ballot election is circulated; 2) name of the Nominating Committee and SPE Board nominee (including affiliation and address); 3) name of proposed petition nominee (including affiliation and address); 4) printed or typed name and attested signature of each person signing petition; 5) SPE member number of each person signing petition; and 6) date of signing of petition. Petitions containing signatures obtained prior to the Notice in SPE Online of actions/discussions of the SPE Board of Directors from the February/March meeting (on or about 15 March) shall be invalid.
- d. Board nominees for positions with respect to which the requisite number of petitions are not received by 1 June shall be deemed elected to such positions.
- e. If additional nominations are received by petition as provided for in Article 42(a) or Article 42(b), a report of all nominees for the positions concerned shall be published in the July issue of Journal of Petroleum Technology. The report shall identify the name of the Board of Directors and SPE Nominating Committee candidate and the name of the petition candidate(s) for each position, and shall include such other information as the Board of Directors deems appropriate.
- f. Ballots shall identify the name of the Board of Directors and SPE Nominating Committee candidate and the name of the petition candidate(s) for each position.

Returned ballots shall include the voting member's printed name and original signature, SPE member number and signature date.

- g. All marked ballots shall be returned to the attention of the SPE President at the SPE office in Richardson, Texas U.S.A. Ballots returned by mail must be postmarked on or before 1 September and ballots returned by facsimile must be received on or before 1 September to be valid. The President shall appoint a Ballot Tally Committee to verify and count the ballots and the determination of the Ballot Tally Committee regarding validity of ballots shall be final. The nominees for each position receiving the plurality of the votes shall be declared elected by the Board of Directors.

## SECTION X FINAL PROVISIONS

### Article 43 Policies

The Board shall enact by a simple majority all policies relating to procedure and other matters, as may be necessary for the implementation of the Constitution as well as for the accomplishment of the tasks of the Society.

Within the framework of the Constitution and other policies in force, and subject to the approval of the Board and other bodies of the Society may also draw up such policies as are necessary for the accomplishment of their respective tasks.

The Board may, in a manner consistent with the Constitution, at any time amend the policies by a simple majority.

### Article 44 Special Provisions

When, for any reason beyond its control, the Board is prevented from meeting and thereby from electing the President Elect, the Vice President Finance, and other Board members, those serving at that time shall be authorized to continue to perform their function until the end of the next meeting of the Board of Directors.

When, for any reason beyond its control, the Board is prevented from meeting, and decisions are indispensable or desirable, the Finance and Administration Committee shall take such steps as may be necessary to secure a decision by consulting the other members of the Board by the most rapid means available. In this event, the Finance and Administration Committee shall put each question in one and the same form to all the members of the Board, and in such a manner that each question can be answered by a simple "yes" or "no". Decisions shall then be taken by a simple majority of the replies received and shall be valid if the number of such replies attains the quorum provided for in Article 33 of the Constitution. Such decisions shall come into force at the expiry of a period of twenty-one days from the date of dispatch of the last communication.

When, for any reason beyond its control, the Board and the Finance and Administration Committee is prevented from meeting, and decisions are indispensable or desirable, and if the Executive Director, for any reason whatsoever, is prevented from consulting the President at the time when the session should have been held, the Executive Director shall take such steps as may be necessary to secure a decision by consulting the other members of the Board by the most rapid means available. In this event, the Executive Director shall put each question in one and the same form to all the members of the Board, and in such a manner that each question can be answered by a simple "yes" or "no". Decisions shall then be taken by a simple majority of the replies received and shall be valid if the number of such replies attains the quorum provided for in Article 2933 of the Constitution. Such decisions shall come into force at the expiry of a period of twenty-one days from the date of dispatch of the last communication.

The same procedure may be applied at any time for any important and urgent question for which a decision of the Board is required and which cannot be postponed until the forthcoming regular meeting of the Board.

When circumstances no longer make it possible to obtain the decisions mentioned in paragraph 3 of the present Article, the Executive Director shall, in exceptional cases, and in order

that the work of the Society may be carried on, take decisions on all matters that are normally within the competence of the Board. Before taking such decisions, the Executive Director shall consult, insofar as may be possible, the President and any members of the Board who remain accessible and shall keep them informed of the action taken.

As soon as circumstances permit, the Executive Director shall take steps to convene the Board. When the Board meets, the Executive Director shall submit to it a report on all measures he/she has taken since the last ordinary session of the Board.

#### Article 45 Dissolution

Decisions on the dissolution of the Society can be taken only by the Society with a quorum of seventy-five percent and a qualified majority of seventy-five percent of the Board members present and voting. In this case, the net assets of the Society, after settlement of the debts, will be transferred to a body with legal capacity set up by the Board with the purpose of endowing the capital of the Society if reconstituted within a year from the effective date of its dissolution, or of distributing the assets to any body or organization the objectives of which are as close as possible to those of the Society.

#### Article 46 Amendments to the Constitution

The provisions of the Constitution can be amended only by the Board with a quorum of seventy-five percent and a qualified majority of seventy-five percent of the Board members present and voting.

Proposals to amend the Constitution may be put to the vote only when submitted by a Board member supported by at least three other Board members.

#### Article 47 Entry into force

Subject to Article 46, this Constitution shall come into force on the 4th day of October 2009.

Table A SPE Regional Subsidiaries

