

The Society of London Art Dealers

Rules of the Society

1. NAME

The name of the Society is 'The Society of London Art Dealers' or such other name, as the Members shall in General Meetings determine. Under that name shall be written "Representing Fine Art Dealers Throughout the United Kingdom".

2. OBJECTS

The objects for which the Society is established are: -

- (a) To promote and protect the good name and interests of the art trade, and to enhance public confidence in responsible fine art dealing.
- (b) To act jointly and to co-operate with other members of The Fine Art Trade and any other federation or association in furtherance of the objects of this Society.
- (c) To make such representations as may be considered necessary to the UK or other governments and other persons or bodies in any matter affecting the art trade.

3. MEMBERSHIP

- (a) Any business (whether the same be conducted by a company partnership or individual) shall be eligible as a Candidate for Membership of the Society provided such business shall for a period of no less than three years have had a place of business within the UK, for the selling or exhibiting of pictures, drawings, prints, sculpture or such other art forms as the Executive Committee shall determine. In exceptional cases the Executive Committee may waive the 3-year criterion.
- (b) Every Candidate for Membership shall be proposed and seconded by existing Members of the Society. Proposals must be on the forms set out in Appendix A hereto and must be signed by both the proposer and the seconder and should also be signed by those wishing to support the proposal.
- (c) The completed form must then be submitted to the Director General for consideration by the Executive Committee who shall take all steps they deem reasonable to satisfy themselves that the Candidate is suitable for Membership.
- (d) If the Executive Committee is so satisfied there shall then be held a ballot of the Executive Committee and the Candidate shall be elected to Membership unless two or more Members of the Committee shall vote against the Candidate.
- (e) Every Candidate so elected shall be supplied with a copy of the Rules of the Society together with a form of undertaking (in Appendix B hereto) to be bound by such Rules and to abide by and strictly observe standards of fair and honest business dealing and to observe the provisions of all Codes of Practice or Codes of Conduct to which the Society is a Signatory.
- (f) The Candidate shall only become a Member of the Society when such form of undertaking is duly signed and received back by the Society within three months of its being provided to the Candidate and if not so received by the Society by such date the election to membership shall thereupon lapse.
- (g) All Members (other than those Members who are Members of the Executive Committee) shall be deemed to retire immediately prior to the Meeting of the Executive Committee next following the Annual General Meeting but shall be deemed to be re-elected at the said Meeting of the Executive Committee unless three or more Members of the Executive Committee present and voting shall dissent.

4. CESSATION OF MEMBERSHIP

- (a) Any Member wishing to retire from the Society may do so by giving notice in writing to the Director General and on receipt of such notice by the Director General shall cease to be a Member of the Society or to have any interest in or claim upon the funds of the Society.
- (b) Any Member who ceases to trade or executes a deed of assignment or is bankrupt or being a company goes into liquidation otherwise than for the purpose of reconstruction or amalgamation shall be deemed to have ceased ipso facto to be a Member of the Society or have any interest in or claim upon the funds thereof.
- (c) Where in the case of any Member there shall be a change in the business by reason of
 - (i) a change of name of the business or its ownership or
 - (ii) in the case of a Partnership Member a change in the Partners or
 - (iii) in the case of a Company Member a change in the Directors or
 - (iv) a change in the nature of the goods dealt in by the businessthat Member shall within three months of the change notify the Executive Committee in writing the details of the change. If the Member shall fail to notify in writing within such time then on the expiry of the three months from the change that Member shall be deemed to have resigned Membership. Upon receipt of the written notification the Executive Committee shall have three months within which to notify the Member making the notification that the Executive Committee considers the change to be substantial then
 - 1) if the Executive Committee shall within that time notify the Member that it considers the change substantial the Member shall thereupon be deemed to have resigned and if the Member shall wish to be re-elected to Membership then it shall apply for Membership in accordance with Rule 3 of these Rules.
 - 2) if the Executive Committee shall not notify the Member that it considers the change substantial the Membership of that Member shall continue.
- (d) If in the opinion of the Executive Committee the conduct of any Member is prejudicial to the good name of the Society or prejudicial to the objects of the Society as set out in Rule 2(a) or be in breach of any of the terms of the undertaking (in appendix B annexed) given by the Member on taking up Membership and the Executive Committee after hearing such representations by such Member as they shall consider just shall so resolve by a majority of 75% or more of those Members present and voting, such Member shall thereupon cease to be a Member and shall be notified accordingly.

5. SUBSCRIPTION

- (a) The annual subscription payable by each Member shall be such sum as the Executive Committee determines from time to time.
- (b) Subscriptions shall be due on the 1st April of each year.
- (c) If any Member's subscription is thirty days in arrear the Director General shall send him a notice with a request for immediate payment and if his subscription is not paid within fifteen days from the time when such notice would be received in the ordinary course of post, the Executive Committee may remove his name from the register of Members and he shall thereupon cease to be a Member and forfeit all rights of Membership provided that the Executive Committee may at any time at its complete discretion, restore him to Membership upon payment of all arrears of subscription due.
- (d) The Executive Committee may waive payment of the annual subscription in whole or in part by any Member.

6. MEETINGS OF THE SOCIETY

- (a) An Annual General Meeting shall be held in every calendar year not more than fifteen months after the last preceding Annual General Meeting. Special General Meetings shall be held on the requisition of the Chairman or not less than two Members of the Executive Committee or six Ordinary Members of the Society at any time as may be found expedient by the Executive Committee on not less than seven days notice being given to the Members.
- (b) At all meetings of the Society each Member shall be entitled to one vote.
- (c) Where any Member is a Partnership or a Company then any partner or any director of such Partnership or Company or any duly authorised manager or official of such Member may attend any General Meeting of the Society and speak at such Meeting but each Member shall have only one vote.
- (d) All questions or matters arising at any meeting convened in accordance with the Rules shall (unless otherwise expressly provided) be ordered and settled as the majority of the Members present and voting shall from time to time determine. The Chairman of the meeting shall have a casting vote.
- (e) A quorum at a General Meeting shall be twelve Members.

7. EXECUTIVE COMMITTEE

The business affairs of the Society shall be governed and managed by an Executive Committee which shall consist of

- (a) (i) the Chairman
(ii) two Vice Chairmen (one of whom should be a dealer in contemporary art)
(iii) the Honorary Treasurer
(iv) not more than twelve Ordinary Members each of whom shall either be an individual Member or a Partner in a Partnership which is a member, or a Director of a Company which is a Member.
(v) the two immediate past Chairmen
(vi) such further five Members as the Executive Committee may co-opt
- (b) The Chairman shall be elected annually by the Executive Committee at its meeting previous to the Annual General Meeting and his election shall be reported to the Annual General Meeting. The Chairman shall not hold office for more than four consecutive years.
Two Vice Chairmen shall be elected annually by the Executive Committee at its meeting previous to the Annual General Meeting and his election shall be reported to the Annual General Meeting.
- (c) The Honorary Treasurer shall be elected annually at the Annual General Meeting.
- (d) Ordinary Members of the Executive Committee will be elected by the Members at the Annual General Meeting. Four Ordinary Members will retire each year by rotation and shall not be eligible to stand for re-election for at least one year. Nominations to fill Ordinary Members' vacancies must be submitted to the Director General at least seven days prior to the Annual General Meeting and each Candidate must be proposed by at least two Members. More than one representative from a Member's firm may be proposed and elected.
- (e) Special meetings of the Executive Committee may be called at not less than two day's notice on the requisition of the Chairman or, in his absence, the Vice Chairmen.
- (f) The quorum for a meeting of the Executive Committee shall be five.
- (g) Except where stated to the contrary, voting in the Executive Committee shall be by the majority of those present and voting. The Chairman for the time being shall have the casting vote.
- (h) At all meetings of the Executive Committee each Member shall be entitled to one vote.
- (i) Sub-Committees may be appointed by the Executive Committee from time to time with such powers as the Committee may deem expedient.
- (j) The Chairman may appoint special advisers, who may attend Executive Committee meetings, as required, with the right to speak but not to vote. Special advisers do not need to be members of the Society. They will be deemed to resign when the Chairman resigns though they may be reappointed by the succeeding Chairman.

8. THE DIRECTOR GENERAL

The Society shall have a Director General who shall undertake the duties set out in these Rules and such other duties as the Executive Committee shall determine. The Director General shall be appointed by the Executive Committee on such terms as the Committee considers appropriate.

9. ACCOUNTS

The Accounts of the Society shall be kept by the Director General and the Honorary Treasurer shall present a statement of such accounts for the year to 31st March preceding at each Annual General Meeting.

10. PROVISIONS AS TO TERMINATION OF THE SOCIETY

- (a) The Society shall continue unless or until dissolved by a majority representing not less than three-fourths of the Members present at a Special General Meeting convened for the purpose at the request of not less than one-third of the Members of the Society in writing to the Director General. Such Special General Meetings shall be called at a date to be determined upon by the Executive Committee, but not less than three nor more than five weeks after the receipt of such request.
- (b) On dissolution, any funds of the Society remaining over after the liquidation of all its just liabilities shall be divided equally among the Members of the Society.
- (c) If the funds shall prove insufficient to meet all the just liabilities of the Society, the deficiency shall be contributed by the Members in equal shares.

11. AFFIDAVIT CONCERNING AUCTIONS (BIDDING AGREEMENTS) ACTS 1927 AND 1969

The Executive Committee may within its absolute discretion request a Member at any time and in relation to any sale or auction to deliver to the Executive Committee an Affidavit sworn before a Commissioner for Oaths confirming that the Member did not in respect of such sale commit any act or omission which would constitute an offence under the Auctions (Bidding Agreements) Acts 1927 and 1969. The Executive Committee may require any Member to produce certified copies of the entries in the books and records of the Member relating to the acquisition or sale of any item together with copies of all other documentary evidence of such acquisition and sale. Where in accordance with this Rule the Executive Committee requests a Member to provide an Affidavit and/or copies of documentary material the Member shall make such Affidavit and/or copies available to the Executive Committee within ten days of any such request.

12. **ARBITRATION**

- (a) Subject to Rule 13, it is a condition of Membership that in the event of a difference of opinion between Members of the Society or between a Member and another dealer or a member of the public, the Member or Members involved in the difference shall agree on the terms set out below to submit the difference to Arbitration if the Executive Committee gives notice to the Member or Members involved in the difference that the submission of the same to Arbitration is desirable in the interests of the Society.
- (b) In the event of the Executive Committee giving such notice then
 - (i) the parties shall agree between them the name of the Arbitrator but if they are unable to agree such name within twenty eight days then the Chairman of the Executive Committee shall nominate the Arbitrator and each member shall be bound by such nomination.
 - (ii) the Member agrees to be bound by the decision of the Arbitrator both as to the substance of the dispute and as to the award relating to the costs of the Arbitration.

13. **INTERPRETATION**

The interpretation of the Rules shall be the sole prerogative of the Executive Committee and it shall be open to any Member to request that such Committee resolve any ambiguity contained therein.

14. **ALTERATIONS**

These Rules may be altered or repealed or new rules may be made by Resolution at General Meetings carried by a majority of not less than two-thirds of the Members present and voting thereon.

