

CHAPTER I

CONSTITUTION

ARTICLE 1: (Name and Address)

A non-government organization is created under the name Latin American and Caribbean Internet Addresses Registry (LACNIC), organization that shall be governed by these bylaws and the applicable rules and regulations. The central office of this organization shall be in the department of Montevideo.

*** Article modified at the member assembly held on April 24,2003.**

ARTICLE 2: The following are its objectives:

1. Manage the IP address space and other related resources for the benefit of the Internet community in the Latin America and Caribbean region(LAC).
2. Provide the services of registry for IP addresses, ASN, inverse resolution and their related resources, with the purpose of allowing and facilitating communications over computer networks.
3. Represent and promote the viewpoints and interests of the region at international organisms, within the scope of its charter.
4. Collaborate in the growth of the Internet in the region.
5. Assist the Latin-- -American and Caribbean communities in developing procedures, mechanisms and standards for the efficient assignment of the Internet resources.
6. Promote educational opportunities to its members in the technical and political areas within its competency.
7. Propose and develop the public policies within its charter.

In order to fulfill its objectives LACNIC may:

- a. organize all necessary services for the realization of its objectives for the management of the IP space and other related resources of the Latin American and Caribbean region (LAC);
- b. organize courses, conferences, symposiums, congresses, contests and any event which is aimed at divulging, teaching and perfecting the goals of LACNIC;
- c. produce, edit, publish, and divulge communication materials using all technological means;
- d. create documentation centers;
- e. Enter into agreements with persons, corporations, public or private institutions, whether national or international;
- f. organize and sponsor trips for study and investigation purposes, or for divulging the LACNIC objectives;
- g. Become involved with other national or international entities with similar objectives in order to organize congresses and activities together;
- h. Cooperate with national, state, municipal and public authorities, and with public and private entities with regards to the LACNIC objectives.

CHAPTER II

CAPACITY, PATRIMONY AND SOCIAL RESOURCES

ARTICLE 3:

LACNIC is capable to acquire goods and contract obligations. Consequently it can operate with public and private banking and financial institutions.

ARTICLE 4:

The patrimony consists of the goods it currently possesses, and those it may acquire henceforth under any title, and of the resources it obtains from:

1. the ordinary and extraordinary quotas paid by the members;
2. the rents its goods produce;
3. the donations, inheritances, bequeaths and subventions;
4. the income it may obtain as a result of activities within the framework of its objectives;
5. any other income it may legally obtain in concordance with the non-profit character of the institution.

ARTICLE 5:

The structure of the LACNIC includes the following elements:

- a. The Members: who hold the power in the institution;
- b. the Assembly, which is the sovereign organ of the institution;
- c. The Board of Directors, which manage and administer the institution;
- d. The Fiscal Commission; which controls the functioning of the institution and the actions of the Board;
- e. The Electoral Committee; which is in charge of the organization of elections;
- f. The Committees; which execute the diverse actions of the institution.

*** Article modified at the Member Assembly held on May 29, 2008.**

CHAPTER III

MEMBERS: CATEGORIES, CONDITIONS FOR BEING ADMITTED AND DISCIPLINARY REGIME

ARTICLE 6:

The following member categories are established:

1. Active members:
 - o Active "A" Members: Those receiving IP address space directly from LACNIC, those receiving IP address space indirectly through national registries in accordance with the contracts between LACNIC and

said registries, or those who received from ARIN address space that is part of the address space awarded to LACNIC, and who request admittance

o Active Founding Members: The following organizations: AHCNET (Hispano--American Association of Research Centers and Telecommunications Companies), CABASE (Argentine Chamber of Databases and Online Services), CGI-Br (Brazilian Internet Steering Committee), eCOMLAC (Latin American and Caribbean Internet and e-Commerce Federation), ENRED (Network Forum for Latin America and the Caribbean) and NIC-Mx (NIC Mexico).

2. Adhering Members: Those who agree with LACNIC's objectives, request admittance and are included in one of the following categories:

o Organizations based in Latin America and the Caribbean or which conduct their business mainly in Latin America and the Caribbean and are involved in Internet development and/or made up by Internet service providers, make a significant contribution to Internet policies in the LAC region, agree with LACNIC's objectives and request their admittance.

o Organizations that manage IP addresses that are not part of the address space allocated to Latin America and the Caribbean but are geographically located in Latin America or the Caribbean

o Any person, company or organization designated as such by decision of LACNIC's General Member Assembly in recognition of their activities in furtherance of LACNIC's objectives.

o Any natural or legal person who makes a significant financial contribution to LACNIC.

*** Article modified at the Member Assemblies held on 24 April 2003 and 3 May 2016.**

ARTICLE 7:

Members shall have the following rights:

1. Active "A" Members:

I. To make use of the various services available to members.

II. To present before the Board of Directors any initiative that will favor the enhancement of the institution.

III. To request the summoning of an Extraordinary Member Assembly (Article 14).

IV. To participate in Assemblies with voice and vote and to be elected to be part of the governing bodies.

2. Active Founding Members:

I. To make use of the various services available to members.

II. To present before the Board of Directors any initiative that will favor the enhancement of the institution.

III. To request the summoning of an Extraordinary Member Assembly (Article 14).

IV. To participate in Assemblies with voice and vote and to be elected to be part of the governing bodies.

I. To make use of the various services available to members, except those relating to Internet resources.

II. To present before the Board of Directors any initiative that will favor the enhancement of the institution.

III. To participate in the General Member Assembly without the right to vote.

*** Article modified at the Member Assemblies held on 31 March 2004 and 3 May 2016.**

ARTICLE 8:

The members have the following obligations:

1. pay the ordinary and extraordinary contributions established by the Assembly;
2. comply with the other obligations imposed by the bylaws, the rules and the resolutions of the Assembly and the Board.

ARTICLE 9:

Any member who no longer meets the membership requirements set forth in these Bylaws shall lose their member status. Members who fall behind on payment of their membership fee or any other established contribution shall have their membership status automatically suspended. Should such late payment of a membership fee or any other established contribution continue beyond the deadlines established by LACNIC policies, the defaulting member shall automatically lose its membership status. Before requesting their readmission, suspended members must proceed to pay the outstanding balance of their membership fees or other contributions owed to the organization on the date of their suspension. Membership status may also be lost due to resignation or expulsion.

*** Article modified at the Member Assembly held on 3 May 2016.**

ARTICLE 10:

The Board may apply the following penalties to the members:

- a. admonishment,
- b. suspension, for a maximum period of one year,
- c. expulsion, to be graduated according to the seriousness of the misdemeanor, and the circumstances of each case considering the following causes:
 1. Non-fulfillment of the obligations imposed by the bylaws, rules or resolutions of the Assemblies and the Board,
 2. notorious bad behavior,
 3. voluntary harm to LACNIC, provocation of serious disorders, or behaving in a way which is notoriously harmful to the interests of the membership.

ARTICLE 11:

The disciplinary penalties referred to in the preceding article will be decided by the Board once the party involved has presented his defense. In all cases the affected party can resort to an appeal to the first Assembly to be held, within a period of 30 days of notification of the penalty. The interposition of this resource will have a suspensive effect. Regarding his rights as a member, in the supposed case that the penalized member holds office in one of the administration or control organs, these may suspend him in this capacity until the corresponding Assembly has resolved his case.

CHAPTER IV

ASSEMBLIES

ARTICLE 12:

The General Assembly, acting in concordance with the bylaws, is the sovereign organ of the institution. It is made up of all members of the institution who are entitled to participate in it, and will take any decisions of interest to the membership, adjusting to the bylaws and any legal and regulatory norms which may be applicable.

ARTICLE 13:

There shall be two types of General Member Assemblies: Ordinary and Extraordinary. Ordinary Member Assemblies shall be held once a year, within the first six months following the closing of the fiscal year, the date for which has been set as 31st December. These Assemblies shall:

1. Consider, approve or modify the annual report, general balance sheet, inventory, expense and income account, and the report presented by the Fiscal Commission;
2. Establish membership fees and determine procedures for their update when necessary. These procedures shall be implemented by the Board of Directors, including payment deadlines, the transitional regime in case of modifications to membership fees, as well as discounts, benefits, rebates, fines in case of failure to pay such membership fees, and financing of membership fees;
3. Consider any other matters included in the agenda, provided they are within the competence of the Ordinary Member Assembly; and
4. Consider any matter proposed by no less than 20% of members and submitted to the Board of Directors within thirty days of the closing of the fiscal year.

All other matters, including modifications to the Bylaws, shall be addressed during General Extraordinary Assemblies.

***Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008, 6 May 2014, 3 May 2016 and 23 May 2017.**

ARTICLE 14:

Extraordinary Member Assemblies will be summoned whenever the Board deems it necessary or when the Fiscal Commission, the Electoral Committee or 20% of voting members submit a request to the Board. These requests must be processed within a term of 10 days and the Assembly must be held within 45 days thereafter. If a request is rejected or dismissed, the reasons for such rejection or dismissal must be submitted to the Assembly in writing. If 20% of voting members decide to persist in their request, they may submit such request to the Fiscal Commission under the same terms and following identical procedure, in which case the Fiscal Commission shall summon the Extraordinary Assembly.

*** Article modified at the Member Assemblies held on 29 March 2004 and 3 May 2016.**

ARTICLE 15:

Member Assemblies shall be summoned by means of circulars sent to members' postal or --email addresses thirty days in advance. The Annual Report, General Balance Sheet, Inventory, Expense and Income Account, Fiscal Commission Report and any other documents to be considered under agenda items shall be submitted to members fifteen days in advance for their consideration.

When modifications to the Bylaws or regulations are submitted for the consideration of the Assembly, such proposed modifications must also be submitted to members fifteen days in advance. Assemblies may not consider matters other than those expressly included in the agenda, unless full membership is present and the inclusion of the matter is approved by unanimous vote.

*** Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008 and 3 May 2016.**

ARTICLE 16:

The Assemblies will be held validly, even in those cases of bylaw modifications and membership dissolution, no matter how many members are present, half an hour after the time established by the convocation, providing an absolute majority with voting rights were not already present, They will be presided over by the President of the entity, or, failing that, by whom the Assembly designate through simple majority of votes cast. Whoever is acting as President will have a decisive vote in the case of a tie.

ARTICLE 17:

Resolutions shall be adopted by absolute majority of cast votes, except in those cases where these Bylaws require 2/3 of cast votes and those where these Bylaws expressly refer to other majorities. Members of the Board of Directors and of the Fiscal Commission may not vote on matters relating to their administration. Members who join the Assembly after it has begun may only vote on those matters which have not yet been decided. Decisions affecting the requirements and conditions for the membership categories established in Article 6 must be approved by the absolute majority of Active Members present. These requirements complement those specifically established for reforming the Bylaws.

*** Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008 and 3 May 2016.**

ARTICLE 18:

With the anticipation foreseen in article 15, the list of members with voting rights will be exhibited to all members, who may present any claims up to 5 days prior to the act, and which must be resolved within the following 2 days. Those members whom, although they may be behind in their membership quota payments, and who have not lost their member status, will not be excluded from this list, although they may be prevented from participating in the Assembly if they have not made their due payments prior to the date of the Assembly.

ARTICLE 19:

Assembly discussions shall be conducted in the spirit of constantly seeking consensual agreement.

In case voting becomes necessary, Founding Members shall be entitled to one vote; Active "A" Members shall be entitled to 1 to 11 votes, depending on the address space they have been assigned, such that those administrating the largest number of IP addresses shall have the highest number of votes.

This classification shall be made according to the following criteria:

- o LEVEL 1: Active A Members who administrate IPv4 addresses equivalent to a block smaller than a /22 that is part of the address space assigned to Latin America and the Caribbean and managed by LACNIC shall be entitled to one vote.
- o LEVEL 2: Active A Members who administrate IPv4 addresses equivalent to a block equal to or larger than a /22 and smaller than a /20 of the address space assigned to Latin America and the Caribbean and managed by LACNIC shall be entitled to two votes.
- o LEVEL 3: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /20 and smaller than a /18 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or smaller than a /32 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to three votes.
- o LEVEL 4: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /18 and smaller than a /16 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block larger than a /32 and

smaller than a /30 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to four votes.

o LEVEL 5: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /16 and smaller than a /14 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /30 and smaller than a /28 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to five votes.

o LEVEL 6: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /14 and smaller than a /12 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /28 and smaller than a /26 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to six votes.

o LEVEL 7: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /12 and smaller than a /10 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /26 and smaller than a /24 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to seven votes.

o LEVEL 8: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /10 and smaller than a /9 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /24 and smaller than a /22 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to eight votes.

o LEVEL 9: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /9 and smaller than a /8 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /22 and smaller than a /20 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to nine votes.

o LEVEL 10: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /8 and smaller than a /7 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or larger than a /20 and smaller than a /19 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to ten votes.

o LEVEL 11: Active A Members who (i) administrate IPv4 addresses equivalent to a block equal to or larger than a /7 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, or (ii) administrate IPv6 addresses equivalent to a block equal to or smaller than a /19 of the address space assigned to Latin America and the Caribbean and managed by LACNIC, shall be entitled to eleven votes.

Whenever technical advances require the use of new criteria or new terminology for assigning IP address space, the Board of Directors, through the special majority set forth in article 23, shall be responsible for establishing the equivalences between the new address blocks and the levels herein established, without modifying the spirit of assigning more votes to those members who administrate administering larger address spaces.

The votes of members that qualify for more than one category shall not be cumulative; these members shall be entitled to the number of votes corresponding to the category with the highest number of votes.

*** Article modified at the Member Assemblies held on 24 April 2003, 31 March 2004, 3 May 2016 e 23 May 2017.**

CHAPTER V

BOARD OF DIRECTORS. ELECTORAL COMMITTEE AND FISCAL COMMISSION

ARTICLE 20:

LACNIC shall be managed and administrated by a Board of Directors composed of seven members, elected among the citizens of the countries and territories that make up the LACNIC service region. The Board of Directors shall assign to these members the following positions: President, Vice President, Secretary, Deputy Secretary, Treasurer, Deputy Treasurer and Regular Member. Directors shall serve a three-year term of office, except in case of permanent vacancy as described in Article 21. Directors shall be eligible for re-election as long as they continue to meet eligibility criteria. Each year they shall be partially renewed in groups of two or three (as appropriate). LACNIC's Executive Director/CEO shall participate in Board meetings with rights equal to those of a Director, except for the right to vote.

1. Not more than two Directors may be citizens of the same country or territory in the region. Should a candidate for a position on the Board of Directors have more than one citizenship, all such citizenships shall be considered when evaluating an alleged incompatibility. Any new citizenship acquired by a Director after their election shall not be considered grounds for incompatibility.

2. Not more than one Director may have employment, consultancy or advisory relationships with the same Company or Organization and/or with one of its Related Companies, whether established in the same country or not.

In order to determine whether or not this incompatibility exists, the following criteria shall be considered: whether the relationship is in a paid or honorary capacity; the influence that the Company or Organization may exert in relation to the candidate's election and the background that makes the candidate eligible; the position held by the candidate within the Company or Organization; and the degree of influence that the Company or Organization may have over the individual once he/she occupies the position, or that the individual may have over the Director of said Company or Organization, or vice versa, for reasons of hierarchy or control.

When determining whether or not this incompatibility exists, membership of international or regional Internet organizations (ISOC, ICANN, etc.) and/or of organizations having no relation to the activities carried out by LACNIC (sports clubs, academic clubs, etc.) shall not be taken into consideration.

These incompatibilities shall be analyzed in accordance with the theory of reality, according to which material reality prevails over formalities.

Based on the principles established herein, the Board of Directors shall establish objective, detailed criteria for defining the grounds for incompatibility as well as for borderline or doubtful cases. The regulations and any successive modifications thereto may only be implemented if they are approved prior to any electoral act.

Should any of the incompatibilities described in the paragraphs above occur once a Director is already in office, different solutions shall be adopted depending on whether the grounds for the incompatibility are due to a change in the Director's citizenship or employment relationship.

In the case of a Director who caused the incompatibility due to a change of citizenship, such Director may continue to hold office until the end of his/her term, after which, should the incompatibility continue, such Director may not run for reelection.

In the case of a Director who caused the incompatibility due to a change in his/her employment relationship with another Organization and/or Company already represented on the Board by another Director, the matter shall be referred to the Electoral Commission which, in exercise of its faculties, shall determine whether or not such incompatibility exists and, if so, shall remove the Director from his/her position, which shall remain vacant until the following election. In the event that the incompatibility may

not be attributed to any of the Directors involved, all Directors involved shall resign or be removed from their position. A special election shall be held under article 22 of these Bylaws solely to determine which of the resigning or removed Directors shall continue to serve on the Board.

Members of the Board of Directors shall act as individuals, not in representation of the member organizations to which they belong. Likewise, Directors shall refrain from participating in discussions and voting on matters that may present a potential conflict of interest, both personally and because of their participation in entities or companies to which they are related.

The seven above mentioned directors shall be elected according to the provisions of Articles 24 and 25. Each year, after the renewal of its members, the Board of Directors shall appoint the positions to be held by its members.

LACNIC shall have a Fiscal Commission composed of three members. Members of the Fiscal Commission shall serve a three-year term of office, and one member shall be renewed each year. Members of the Fiscal Commission shall be eligible for reelection as long as they continue to meet eligibility criteria.

Members of the Fiscal Commission shall be subject to the following incompatibilities:

1. Not more than one member may be citizen of the same country or territory in the region. Should a candidate for a position on the Fiscal Commission have more than one citizenship, all such citizenships shall be considered when evaluating an alleged incompatibility. Any new citizenship acquired by a member of the Fiscal Commission after their election shall not be considered grounds for incompatibility.
2. Not more than one member of the Fiscal Commission may have employment, consultancy or advisory relationships with the same Company or Organization and/or with one of its Related Companies, whether established in the same country or not.

In order to determine whether or not this incompatibility exists, the following criteria shall be considered: whether the relationship is in a paid or honorary capacity; the influence that the Company or Organization may exert in relation to the candidate's election and the background that makes the candidate eligible; the position held by the candidate within the Company or Organization; and the degree of influence that the Company or Organization may have over the individual once he/she occupies the position, or that the individual may have over the Director of said Company or Organization, or vice versa, for reasons of hierarchy or control.

When determining whether or not this incompatibility exists, membership of international or regional Internet organizations (ISOC, ICANN, etc.) and/or of Organizations that have no relation to the activities carried out by LACNIC (sports clubs, academic clubs, etc.) shall not be taken into consideration.

These incompatibilities shall be analyzed in accordance with the theory of reality, according to which material reality prevails over formalities.

Based on the principles established herein, the Board of Directors shall regulate the grounds for incompatibility as well as borderline or doubtful cases using objective criteria and in greater detail. The regulations and any successive modifications thereto may only be implemented if they are approved prior to any electoral act.

Should any of the incompatibilities described in the paragraphs above occur once a member of the Fiscal Commission is already in office, different solutions shall be adopted depending on whether the grounds for the incompatibility are due to a change in the member's citizenship or employment relationship.

In the case of a member of the Fiscal Commission who caused the incompatibility due to a change of citizenship, such member may continue to hold office until the end of his/her term, after which, should the incompatibility continue, such member may not run for reelection.

In the case of a member of the Fiscal Commission who caused the incompatibility due to a change in his/her employment relationship with another Organization and/or Company already represented on the Fiscal Commission, the matter shall be referred to the Electoral Commission which, in exercise of its faculties, shall determine whether or not such incompatibility exists and, if so, shall remove the member of the Fiscal Commission from his/her position, which shall remain vacant until the following election. In the event that the incompatibility may not be attributed to any of the members of the Fiscal Commission, all members involved shall resign or be removed from their position. A special election shall be held under article 22 of these Bylaws solely to determine which of the resigning or removed members of the Fiscal Commission shall continue to serve in their role.

*** Article modified at the Member Assemblies held on 24 April 2003, 31 May 2004, 29 June 2005, 29 May 2008, 28 May 2009, 3 May 2016 and 23 May 2017.**

ARTICLE 21:

Should for any reason an elective office (Member of the Board of Directors, Member of the Fiscal Commission or Member of the Electoral Commission) becomes permanently vacant, such vacancy shall be filled during the following election. The winning candidate shall serve for the remainder of the term for which the person who caused the permanent vacancy was elected and shall take office immediately after all stages of the electoral process have been completed.

The same procedure shall be used in case a winning candidate is unable to take office.

*** Article modified at the Member Assemblies held on 24 April 2003, 6 May 2014 and 3 May 2016.**

ARTICLE 22:

Should the number of members of the Board of Directors, the Fiscal Commission, or the Electoral Commission fall below the absolute majority, the Board of Directors or the remaining members of the Board of Directors shall summon an Extraordinary Election within 30 days of the fact in order to complete the corresponding body. In the event of total vacancy of the Board of Directors, the Extraordinary Election shall be summoned by the Fiscal Commission, notwithstanding the responsibilities pertaining to resigning members of the Board of Directors. In both cases, the body that issues the summons shall have all the attributions inherent to holding the election.

This same Extraordinary Election procedure shall be used if a position on the Board of Directors, the Fiscal Commission or the Electoral Commission is left permanently vacant more than three months prior to the beginning of the following election process.

If the Fiscal Commission or the Electoral Commission a) is reduced to two or four members (as appropriate), and should such Commission be required to decide on a matter on which its members disagree thus creating a tie due to the body's lack of a president with the authority to break the tie; or b) is left vacant or without a majority of its members and must act or decide, yet there is no deadline set for summoning an Extraordinary Election, the vacant or reduced Fiscal or Electoral Commission shall be completed with the members of the remaining Commission, either Fiscal or Electoral (as appropriate). Those members of the remaining Commission that do not incur in any of the incompatibilities set forth in these Bylaws shall be given priority when completing a vacant or reduced Commission. Should more than one member of the remaining Commission not incur in any incompatibility, the new composition of the vacant or reduced Commission shall be decided by lot under the supervision of the President of the Board of Directors, and, in the case of the latter's incompatibility or impossibility, under the supervision of the person appointed by the Board of Directors.

***Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008, 6 May 2014, 3 May 2016 and 23 May 2017.**

ARTICLE 23:

The Board of Directors shall meet at least once every three months, on the date and time established during their first annual meeting. The Board of Directors may also meet at such times as it is summoned by the President, at the request of the Fiscal Commission, or at the request of two members of the Board of Directors, in which case the meeting shall be held within fifteen days of the request. Meetings shall be summoned ten days in advance using the means and procedures established by the Board of Directors. Meetings shall be valid with the presence of the absolute majority of designated members. Decisions shall require the vote of the absolute majority of those present, except for those decisions which, under items 10 to 17 of Article 26 of the Bylaws require a special majority, in which case at least the vote of the absolute majority plus one of the designated Members of the Board of Directors shall be required.

*** Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008, 3 May 2016 and 23 May 2017.**

ARTICLE 24:

The Electoral Commission shall be composed of five members. This commission shall be responsible for overseeing and certifying the electoral processes of the bodies established under these Bylaws, including contesting or restricting to one the positions and candidacies at stake due to incompatibilities (having the authority to eliminate and/or restrict the candidacy of one or more contested candidates and/or candidates investigated at the Electoral Commission's own initiative), as well as for counting the votes and determining the results and winning candidates. The Electoral Commission may act based on third-party accusations or on its own initiative, and has the authority to summon an Extraordinary Assembly in case of serious irregularities in the election. Members of the Electoral Commission shall serve a three-year term of office, with partial renewal of one or two positions each year, as applicable. Members of the Electoral Commission shall be eligible for reelection as long as they continue to meet eligibility criteria.

In case of a third-party accusation, the Electoral Commission shall also have the authority to investigate and resolve alleged incompatibilities of members of the Board of Directors and the Fiscal Commission.

Members of the Electoral Commission shall be subject to the following incompatibilities:

1. Not more than one member may be citizen of the same country or territory in the region. Should a candidate for a position on the Electoral Commission have more than one citizenship, all such citizenships shall be considered when evaluating an alleged incompatibility. Any new citizenship acquired by a member of the Fiscal Commission after their election shall not be considered grounds for incompatibility.
2. Not more than one member of the Electoral Commission may have employment, consultancy or advisory relationships with the same Company or Organization and/or with one of its Related Companies, whether established in the same country or not.

In order to determine whether or not this incompatibility exists, the following criteria shall be considered: whether the relationship is in a paid or honorary capacity; the influence that the Company or Organization may exert in relation to the candidate's election and the background that makes the candidate eligible; the position held by the candidate within the Company or Organization; and the degree of influence that the Company or Organization may have over the individual once he/she occupies the position, or that the individual may have over the Director of said Company or Organization, or vice versa, for reasons of hierarchy or control.

When determining whether or not this incompatibility exists, membership of international or regional Internet organizations (ISOC, ICANN, etc.) and/or of Organizations that have no relation to the activities carried out by LACNIC (sports clubs, academic clubs, etc.) shall not be taken into consideration.

These incompatibilities shall be analyzed in accordance with the theory of reality, according to which material reality prevails over formalities.

Based on the principles established herein, the Board of Directors shall regulate the grounds for incompatibility as well as borderline or doubtful cases using objective criteria and in greater detail. The regulations and any successive modifications thereto may only be implemented if they are approved prior to any electoral act.

Should any of the incompatibilities described in the paragraphs above occur once a member of the Electoral Commission is already in office, different solutions shall be adopted depending on whether the grounds for the incompatibility are due to a change in the member's citizenship or employment relationship.

In the case of a member of the Electoral Commission who caused the incompatibility due to a change of citizenship, such member may continue to hold office until the end of his/her term, after which, should the incompatibility continue, such member may not run for reelection.

In the case of a member of the Electoral Commission who caused the incompatibility due to a change in his/her employment relationship with another Organization and/or Company already represented on the Electoral Commission, the matter shall be referred to the Fiscal Commission/Board of Directors which, in exercise of their faculties, shall determine whether or not such incompatibility exists and, if so, shall remove the member of the Electoral Commission from his/her position, which shall remain vacant until the following election. In the event that the incompatibility may not be attributed to any of the members of the Electoral Commission, all members involved shall resign or be removed from their position. A special election shall be held under article 22 of these Bylaws solely to determine which of the resigning or removed members of the Electoral Commission shall continue to serve in their role.

***Article modified at the Member Assemblies held on 24 April, 2003; 31 March, 2004; 29 June, 2005, 29 May, 2008 and 23 May 2017.**

ARTICLE 25:

Elections

Elections to appoint members of the Board of Directors shall be held within one hundred and eighty days of the Ordinary Member Assembly. Elections to appoint members of the Fiscal and Electoral Commissions shall be held within ninety days of the Ordinary Member Assembly.

Should vacant seats remain after the corresponding election, a new election shall be held within 30 days, as many times as necessary until vacant seats are filled.

Votes shall be secret and may be cast using physical or electronic mechanisms that guarantee voters' identity and the secrecy of their vote.

Each member may exercise their right to vote as established in Articles 7 and 19 as many times as positions are being elected, but may only award the same candidate the number of votes established in said Article. Candidates shall be voted individually among those nominated in due time and form. Those candidates that receive the most votes shall be elected. The number of elected candidates shall be equal to the number of positions to be filled. In case of a tie in the

number of votes for one or more of the positions to be filled, a run-off vote shall be held among those candidates that received the same highest number of votes. This run-off vote shall be held on the date and under the conditions established by the Electoral Commission, and the Fiscal Commission (in case of an election to fill a seat on the Electoral Commission).

***Article modified at the Member Assemblies held on 24 April 2003, 29 May 2008, 6 May 2014 and 3 May 2016.**

ARTICLE 26:

The Board of Directors shall have the following powers and responsibilities:

1. To execute Assembly decisions, to comply with and enforce these Bylaws and regulations, interpreting them in case of doubt and with the obligation of reporting this to the following Assembly;
2. To undertake the administration of LACNIC;
3. To summon Member Assemblies;
4. To decide the admittance of those requesting membership. The Board of Directors may delegate this function to LACNIC staff;
5. To expel or penalize members;
6. To designate the staff needed to fulfill the objectives of the organization, set their salaries, determine their obligations, penalize and fire them. The Board of Directors may delegate this function to LACNIC staff.
7. To present the Annual Report, General Balance Sheet, Inventory, Expense and Income Account and Fiscal Commission Report before the Ordinary General Assembly. All these documents must be made available to the members with the anticipation required by article 15 for summoning Ordinary Member Assemblies;
8. To issue internal regulations needed to fulfill the objectives of the organization, which must be approved by the Assembly. Regulations not having statutory content are exempted;
9. To ratify resource management and assignment policies for the Internet resources under LACNIC's responsibility.
10. To propose modifications to the Bylaws and summon the corresponding Extraordinary Member Assembly for their discussion and approval;
11. To hire the Executive Director;
12. To approve the annual budget;
13. To approve the General Balance Sheet to be submitted before the Ordinary Member Assembly;
14. To approve the purchase and sale of real estate property.
15. To implement payment terms and the transitional regime in case of modifications to membership fees, as well as discounts, benefits, rebates, fines in case of failure to pay such membership fees, and financing of membership fees.
16. To establish objective, detailed criteria for determining the grounds for incompatibility of LACNIC's elective members, as well as borderline or doubtful cases.
17. To exercise the power established in the final paragraph of article 19, establishing the equivalences of the new address ranges should technical advances require the use of new criteria or new terminology for assigning IP address space.

***Article modified at the Member Assemblies held on 24 April 2003, 31 March 2004, 29 June 2005, 29 May 2008, 3 May 2016 and 23 May 2017.**

ARTICLE 27:

The Fiscal Commission has the following attributions and duties:

- a. to permanently control all books and accounting documentation, overseeing management, controlling the state of the cash flow and the existence of funds, bonds and stock, in accordance with the laws and Bylaws in force;
- b. to present suggestions to the Board of Directors, in relation to the responsibilities detailed in the item above;
- c. to pass judgment on the Annual Report, Inventory, General Balance Sheet and Expense and Income Account submitted by the Board of Directors for the consideration of the Ordinary Assembly at the end of each financial year;
- d. to summon an Ordinary Assembly should the Board of Directors fail to do so, having previously notified the Board of Directors fifteen days in advance;
- e. to request that an Extraordinary Assembly be summoned whenever it is deemed necessary, presenting the justification of the request before the "Dirección General de Registros, Asociaciones Civiles y Fundaciones" should the Board of Directors refuse to comply with the request;
- f. to summon an Extraordinary Assembly, informing the Control Organ, should a members' request according to the provisions Article 14 be presented unsuccessfully;
- g. to oversee operations for the liquidation of LACNIC. The Fiscal Commission shall fulfill its functions without interfering with the regular administration of the organization;
- h. in case of third-party accusations, to investigate and resolve alleged incompatibilities of members of the Electoral Commission.

*** Article modified at the Member Assembly held on 24 April, 2003 (in virtue of the acceptance of an observation formulated by the Ministry of Foreign Affairs).**

*** Article modified at the Member Assembly held on 29 May, 2008.**

CHAPTER VI

THE PRESIDENT

ARTICLE 28:

The President or whoever replaces the President under these Bylaws shall have the following powers and responsibilities:

1. To represent LACNIC together with its Vice President, Secretary and/or Treasurer;
2. To summon Member Assemblies as well as to summon and chair Board meetings;
3. During Board meetings, the President or whoever replaces the President under these Bylaws shall have voting rights equivalent to those of the other Board members; in the event of a tie, he/she shall vote once again to break the tie;

4. To sign correspondence and the minutes of Board meetings and Member assemblies jointly with the Secretary;
5. To authorize expenditure accounts jointly with the Treasurer, signing receipts and other Treasury documents in accordance with the decisions of the Board. The President may delegate this function to LACNIC staff. He/she shall not allow social funds to be invested in anything other than what is specified in these bylaws;
6. To lead discussions as well as to suspend and terminate Board meetings and Assemblies when these get out of order and disrespect is shown;
7. To oversee the evolution and administration of LACNIC, complying with and enforcing the Bylaws, regulations and the resolutions of the Assemblies and the Board of Directors;
8. To penalize employees who do not fulfill their obligations and to adopt resolutions in unforeseen circumstances. In both cases, these will be “ad referendum” of the next Board meeting. The President may delegate this function to LACNIC staff.

Article modified at the Member Assembly held on 3 May 2016.

CHAPTER VII

THE SECRETARY

ARTICLE 29:

The Secretary or whoever replaces him according to the bylaws must:

- a. Be present at the Assemblies and Board meetings, drawing up the corresponding acts, which will be written in the appropriate register and jointly signed with the President;
- b. Sign all correspondence and LACNIC documents together with the President;
- c. Send out Board meeting notifications according to article 23;
- d. Keep the acts register and, together with the Treasurer, the Membership register.

CHAPTER VIII

THE TREASURER

ARTICLE 30:

The Treasurer or whoever replaces the Treasurer under these Bylaws shall have the following powers and responsibilities:

1. To attend Board meetings and Member Assemblies;
2. To serve as liaison between the Board and the Fiscal Commission, including the latter's annual meeting with LACNIC staff;
3. To accompany the financial management of the organization;
4. To submit his/her opinion on the financial reports before the LACNIC Ordinary Member Assembly;
5. Together with the Secretary, to keep the Member Registry and be responsible for all things relating to the collection of membership fees. The Treasurer may delegate this function to LACNIC staff;
6. To keep accounting ledgers. The Treasurer may delegate this function to LACNIC staff;

7. To present monthly balance sheets to the Board and annually prepare the General Balance Sheet, Statement of Expenditures and Resources, and Inventory, which, once approved by the Board, shall be submitted to the Ordinary Member Assembly. The Treasurer may delegate this function to LACNIC staff;
8. To sign receipts and other treasury documents Jointly with the President, executing the payments decided by the Board. The Treasurer may delegate this function to LACNIC staff;
9. To deposit all funds collected by the organization in a banking institution, under the name of LACNIC and the joint signature of the President and Treasurer, with the ability of maintaining in such banking institution funds up to the amount authorized by the Board. The Treasurer may delegate this function to LACNIC staff;
10. To report on the economic status of the organization to the Board and the Fiscal Commission whenever this is required. The Treasurer may delegate this function to LACNIC staff.

*** Article modified at the Member Assemblies held on 29 March 2004 and 3 May 2016.**

CHAPTER IX

VICE PRESIDENT, DEPUTY SECRETARY, DEPUTY TREASURER AND REGULAR MEMBER

ARTICLE 31:

The Vice-President shall:

- a. attend Assemblies and meetings of the Board of Directors, being entitled to vote;
- b. undertake assignments and tasks entrusted by the Board of Directors;
- c. fulfill the functions of the President should he/she communicate his/her absence or resignation as President of the Board of Directors.

The Deputy Secretary shall:

- a. attend Assemblies and meetings of the Board of Directors, being entitled to vote;
- b. undertake assignments and tasks entrusted by the Board of Directors;
- c. fulfill the functions of the Secretary should he/she communicate his/her absence or resignation as Secretary of the Board of Directors.

The Deputy Treasurer shall:

- a. attend Assemblies and meetings of the Board of Directors, being entitled to vote;
- b. undertake assignments and tasks entrusted by the Board of Directors;
- c. fulfill the functions of the Treasurer should he/she communicate his/her absence or resignation as Treasurer of the Board of Directors.

The Regular Member shall:

- a. attend Assemblies and meetings of the Board of Directors, being entitled to vote,
- b. undertake assignments and tasks entrusted by the Board of Directors.

c. fulfill the functions assigned by the Board of Directors should one of the Directors communicate his/her absence or resignation from his/her position on the Board.

*** Article modified at the member assemblies held on April 24, 2003 and May 28, 2009**

CHAPTER X

DISSOLUTION AND LIQUIDATION:

ARTICLE 32:

The Assembly may not decree the dissolution of LACNIC as long as there are a number of members willing to support it, and to ensure the regular functioning of its social organs. Should dissolution become effective, the liquidators will be designed, and these can be the Board itself, or any other members committee which the Assembly designates. The Fiscal Commission must oversee the liquidation operations of LACNIC. Once debts are paid in full, the remainder of the goods owned will be destined to a charity organization, established legally in the country and exempt from all taxes at national, state and municipal level. The recipient of these goods will be designated by the dissolution Assembly.

**** Article modified at the Member Assembly held on 29 May, 2008.***