

# Statutes

13th July 2004

**Statutes of EUnited**

**TITEL I: NAME. REGISTERED OFFICE. PURPOSE. DURATION**

**Art. 1. – Name**

It has been decided to create an international non-profit association which shall be called “EUnited”. The association shall hereinafter be referred to as “the Association”.

The Association shall be governed by the provisions of Title III of the Belgian law of 27 June 1921 on non-profit associations, international non-profit associations and foundations.

**Art. 2. – Registered office**

The Association’s registered office shall be located at Diamant Building, Boulevard Reyers 80, 1030 Brussels. It may be transferred to any other location in Belgium by a decision of the Management Board. Any modification of the registered office must be deposited in the Association’s file kept at the Ministry of Justice and published in the Annexes to the Belgian Official Gazette, in accordance with applicable law.

**Art. 3. – Purpose**

The purpose of the Association is to promote and support at an international level the European engineering industries, which includes but is not limited to tools and components, process, production, power transmission, automation engineering, manufacturing technology as well as software and product-related services and other related fields.

To that effect, the Association shall have the right to exercise, alone or in collaboration with third parties, directly or indirectly, all activities related, directly or indirectly, to its purpose.

The Association shall in particular develop the following activities:

- informing and advising members on recent technical, economic and legal developments relevant to the industry in compliance with current legal requirements;
- collecting and aggregating statistical data in order to provide members with sector-specific statistics;
- providing members with sector-specific market information, such as key figures, market surveys;

- providing platforms to facilitate discussions between members and relevant decision-makers, particularly on European level;
- providing platforms for members to facilitate cooperative research;
- organizing conferences and seminars for members;
- publishing newsletters and other documents informing members of developments in areas relevant to the sector;
- promoting the common interest of the European engineering industries, particularly in the fields of economy, technology and science on an international basis.

The Association is a non-profit making organization.

#### **Art. 4. – Duration**

The duration of the Association shall be unlimited.

### **TITLE II: MEMBERS**

#### **Art. 5. – Membership**

The Association shall have two categories of members:

the Full Members; and

the Associate Members.

The signatories of the present statutes are the first Full Members of the association.

In addition to the first Full Members, which include Verband Deutscher Maschinen- und Anlagenbau e.V. (VDMA), any company with its registered seat located in the geographical area of Europe which produces and/or provides services in the area mentioned in Article 3 and is not primarily a trading business can also be admitted as a Full Member of the Association.

Any company with its registered seat located outside the geographical area of Europe which pursues an activity mentioned in Article 3 and is not primarily a trading business can be admitted as an Associate Member of the Association.

For the purpose of this Article, “company” means an entity with legal personality, created to carry out a commercial, industrial or similar business with the purpose of making profit. A non-profit association composed of companies or physical persons does not constitute a company in the sense of these statutes.

A company which fulfils the requirements set forth above, may only be admitted as a member of the Association if a Sector Group has already been set up for one of the areas of the engineering industry in which the company is commercially active.

Unless otherwise decided by the Management Board, if the distribution and the production of an activity mentioned in Article 3, are split up into independent companies belonging to the same group, each of these companies must become a member of the Association, but with regard to membership rights they shall be considered one member. A holding company, which is a company holding shares in and controlling other companies without itself operating commercial activities mentioned in Article 3, may only acquire membership of the Association if the companies which are controlled by the holding company fulfill the requirements for membership and also become members of the Association, unless otherwise decided by the Management Board. All references in these statutes to “member” or “members” without any other specifications are references to Full Members and Associate Members collectively.

#### **Art. 6. – Admission to Membership**

Applications to be admitted as a member of the Association shall be addressed via regular mail or via any other modern means of written communication (including e-mail) to the Management Board.

After having consulted the Sector Group concerned, the Management Board decides on the applications for membership received in the light of these statutes and at its own discretion. The decision of the Management Board is final and the Management Board is not required to motivate its decision.

Application for membership implies acceptance of the latest version of these statutes, as well as the latest version of the internal rules of the Association.

By signing the application, a member agrees not to disclose any confidential information obtained through its membership in EUnited.

#### **Art. 7. – Termination. Resignation. Exclusion**

Membership expires upon:

1. Resignation;
2. Discontinuance of business;
3. Discontinuance of production and/or activity mentioned in Article 3;
4. Opening of insolvency proceedings;
5. Exclusion.

Members are free to resign from the Association at the end of a calendar year by giving six months prior notice via registered mail to the Management Board. A member must comply with these statutes until its membership ends.

In case the business of a member is discontinued or the production and/or activity mentioned in Article 3 is discontinued or insolvency proceedings are opened, the membership of this member shall terminate *ipso jure* at the date of the occurrence of the applicable event

mentioned above. This date shall be communicated to the Management Board via registered mail.

The exclusion of a Member may only be decided by the Management Board with a majority of fifty percent plus one of the votes and after having heard the member whose exclusion is being proposed. Blank votes, invalid votes and abstentions shall not be counted..

The decisions of the Management Board regarding exclusion are sovereign and do not have to be motivated.

A member who, in whatever way and for whatever reason, ceases to be member of the Association shall have no claims for compensation from the Association and shall have no claim on the Association's assets. Paid membership fees are non-refundable.

#### **Art. 8. – Membership fees**

Each member shall pay a fixed annual membership fee to cover the costs for the basic services provided by the Association. The fixed annual membership fee depends on the member's turnover generated in the previous financial year. The General Assembly shall adopt internal rules containing calculation rules to determine the membership fees and the required date of payment.

The Association may render additional services going beyond the basic services mentioned above to all or a group of its members among which the costs will be allocated.

The Association may also render individual services, in compliance with current legal requirements, for one member or a group of members in consideration for fees to be determined.

### **TITLE III: ORGANIZATIONAL STRUCTURES**

#### **Art. 9. – Organizational structures**

The bodies of the Association are:

- the General Assembly; and
- the Management Board.

#### **A. General Assembly**

#### **Art. 10. – Composition. Powers**

The General Assembly shall consist of all the Full Members of the Association.

Each Full Member shall have one vote. The voting right shall be exercised by a person duly authorized to represent the Full Member and who is either the owner or a person belonging to the higher management of the Full Member.

Associate Members shall have the right to participate as observers at the General Assembly. Associate Members shall have no voting rights.

In addition to the other powers granted in these statutes to the General Assembly, the General Assembly shall have the following powers:

- a) the approval of the accounts and of the budget of the Association;
- b) the election and revocation of directors;
- c) the modification of these statutes;
- d) the dissolution of the Association;
- e) the formal discharge of the directors;
- f) the approval of the main policy lines to be followed by the Association based on the recommendations made by the Management Board;
- g) the adoption of internal rules determining details of the system for the calculation of the fixed annual membership fees, in particular determining the membership fee categories and the corresponding membership fee and the required date of payment as provided for in Article 8, paragraph one, after having consulted the Council;
- h) the determination of the use of the reserves of the Association.

The General Assembly shall be presided by the President of the Management Board. If the President is unable or unwilling to preside the General Assembly, the General Assembly shall be presided by a Vice-President or another director.

#### **Art. 11. – Meeting**

The General Assembly shall meet at least once every three years, upon convocation by the Management Board, represented by its President.

An extraordinary General Assembly shall be convoked by the President of the Management Board, whenever required by the interests of the Association or upon written request of at least one third of the Full Members of the Association.

If the President is unable or unwilling to convoke the extraordinary General Assembly, the extraordinary General Assembly shall be convoked by a Vice-President.

#### **Art. 12. – Proxies**

Each member shall have the right, via regular mail or via any other modern means of written communication (including e-mail), to be represented at a General Assembly by another member of his/her membership category, holding a proxy. No member may hold more than four proxies.

#### **Art. 13. – Convocations. Agenda**

Convocations for the General Assembly shall be communicated to the members via regular mail or via any other modern means of written communication (including e-mail) at least six

weeks in advance. The convocations shall mention the date, time and place of the meeting of the General Assembly. The agenda shall be attached to the convocation. No vote shall be taken regarding an item that is not listed on the agenda, unless all members are present or represented and agree to such vote.

Each member shall have the right, before, during or after the General Assembly, to waive the convocation required by this Article. Any member present or represented at the General Assembly shall be deemed to have been regularly convoked. If all members are present or represented, justification of the convocations shall not be required.

#### **Art. 14. – Quorum. Votes**

Unless otherwise stipulated in these statutes, the General Assembly shall be validly constituted if fifty percent of the Full Members are present or represented. If less than fifty percent of the Full Members are present or represented, the President of the Management Board shall have the right to convoke a second General Assembly which shall be validly constituted irrespective of the number of Full Members present or represented. If the President is unable or unwilling to convoke the second General Assembly, the second General Assembly shall be convoked by a Vice-President.

Without prejudice to Article 15, decisions of the General Assembly shall be validly adopted if they obtain a majority of fifty percent plus one of the votes of the Full Members present or represented. Blank votes, invalid votes and abstentions shall not be counted.

The election of persons at the General Assembly shall be made by secret written ballot. Elected is the person who obtained a majority of fifty percent plus one of the votes of the Full Members present or represented. Blank votes, invalid votes and abstentions shall not be counted. The secret character of the votes shall be safeguarded by appropriate measures. In the event of a tie between two candidates, a runoff election between these candidates shall be made.

#### **Art. 15. – Requirements for specific decisions**

The following decisions may not be taken against the vote of VDMA:

- the modification of the statutes;
- the dissolution of the Association;
- the adoption of internal rules determining details of the system for the calculation of the fixed annual membership fees, in particular determining the membership fee categories and the corresponding membership fee and the required date of payment
- the determination of the use of the reserves of the Association.

#### **Art. 16. – Register of minutes**

The decisions of the General Assembly and the attendance list of the General Assembly shall be kept in a register of minutes and signed by at least the President of the Management

Board and the Executive Director. This register is kept at the registered office of the Association where all members may consult it, without, however, displacing it.

#### **Art. 17. – Written procedure**

In exceptional cases and when the urgency of the matter so requires, the General Assembly may make decisions by a written procedure.

To that effect, the President of the Management Board shall send via regular mail or via any other modern means of written communication (including e-mail) he/she deems fit, the proposed resolutions to all members. The communication shall be accompanied by a memorandum prepared by the President of the Management Board setting forth the reasons which have lead to the use of the written procedure, as well as the context of the proposed resolutions. The proposed resolutions shall be deemed adopted if within ten working days after having been sent the number of, and votes attached to, the duly completed communications returned to the President of the Management Board by the Full Members is sufficient to meet the quorum and voting requirements set forth in these statutes.

If the President is unable or unwilling to send the communication and prepare the memorandum, the communication shall be sent and the memorandum shall be prepared by a Vice-President.

#### **B. Management Board**

##### **Art. 18. – Composition**

The Association shall be managed by a Management Board composed of the following directors:

- the President;
- two Vice-Presidents;
- the Representative of the Council;
- the Representative of VDMA; and
- the Executive Director.

The General Assembly shall elect the President and the two Vice-Presidents for a term of three years. President and Vice-Presidents may be re-elected once.

The VDMA Representative is nominated by VDMA and may be part of the Management Board for no more than two terms of three years. Only owners, chairmen and managing directors of Full Members may be elected as President, Vice-President and Representative of the Council, unless the General Assembly decides otherwise for a specific case. The position of President, Vice-President and Representative of the Council is personal and non-remunerated.



In case of a vacancy in the course of a term of office of one of the functions of President, Vice-Presidents and Representative of the Council, a temporary director may be appointed by the Management Board. In this case, the temporary director shall complete the term of office of the director he/she replaces.

Directors are entitled to resign. They shall continue performing the duties of their office until their replacement has been provided for or could reasonably have been provided for, according to this Article.

#### **Art. 19. – Powers**

All powers which are not expressly conferred by law or these statutes to the General Assembly belong to the Management Board. The Management Board shall thus control and determine the policies, business and transactions of the Association, and may take all measures it deems proper or desirable to promote the purpose and protect the interests of the Association.

#### **Art. 20. – Convocation. Votes**

The Management Board shall meet every time the interests of the Association so require and at least once a year. It shall meet upon convocation of its President, or upon its own initiative, or upon request of two directors. If the President is unable or unwilling to convoke the Management Board, the Management Board shall be convoked by the Vice-President. Convocations for the Management Board shall be mailed to the directors via regular mail or via any other modern means of written communication (including e-mail).

Each director shall have the right, via regular mail or via any other modern means of written communication (including e-mail), to be represented at a Management Board by another director, holding a proxy. No director may hold more than one proxy.

The Management Board shall be validly constituted when a majority of its directors are present or represented. Any director present or represented at a meeting of the Management Board shall be considered to have been regularly convoked to this meeting.

The Management Board shall decide with a simple majority of the votes cast by the directors present or represented. Blank votes, invalid votes and abstentions shall not be counted. Each director shall have one vote. In the event of a tie, the President shall have the decisive vote.

However, the following decisions of the Management Board may not be taken against the vote of the Representative of VDMA:

- the admission and expulsion of members;
- the appointment and dismissal of the Executive Director and the Directors of Sector Groups and Horizontal Groups;
- the approval of internal rules adopted by Sector Groups.

A dated document signed by all directors and recorded or inserted in the register of minutes shall equal a decision of the Management Board.

A meeting of the Management Board shall be validly constituted even if all or some of the directors are not physically present or represented, but participate in the deliberations via any modern means of telecommunication that allow directors to directly hear each other and directly speak to each other, such as a telephone or video conference. In such a case, the directors shall be deemed present.

#### **Art. 21. – Daily management**

The Management Board may delegate the daily management of the Association to an Executive Director elected on proposal of VDMA.

The Executive Director shall be responsible for the implementation of the decisions taken by the General Assembly and the Management Board. He/she operates under the supervision of the Management Board and reports to the President, the Management Board and the General Assembly.

#### **Art. 22. – Representation of the Association**

The Association shall be validly represented vis-à-vis third parties and with regard to all deeds by the President of the Management Board acting individually or by any two directors acting jointly. Legal proceedings, either as plaintiff or as defendant, shall be conducted by the Management Board represented by the President acting individually or by any two directors acting jointly.

Within the framework of daily management, the Association shall be validly represented vis-à-vis third parties and with regard to all deeds by the Executive Director.

None of the aforementioned persons must justify his powers vis-à-vis third parties.

In addition, the Association shall be validly represented, within the framework of his/her mandate, by a proxy holder duly mandated by the Management Board or the Executive Director.

### **Title V: Council**

#### **Art. 23. – Composition and tasks**

The Management Board may set up a Council consisting of the Chairmen of the Sector Groups. The Council shall facilitate the exchange of views between the different Sector Groups and assist the Management Board in its duties by advising on issues substantially affecting Sector Groups. The Council may submit proposals for decisions to be taken by the Management Board.

If the Chairman of a Sector Group is prevented from attending a Council meeting, he/she may be replaced by a representative designated by the Sector Group.

The Council elects a Representative who is in charge of organizing and chairing the Council meetings and who shall also be a director of the Association.

Decisions in the Council are taken with a simple majority of the votes cast by the Council members present or represented. Each Council member has one vote. Blank votes, invalid votes and abstentions shall not be counted.

Specific provisions of the internal rules of the Association will specify the tasks and the operating rules of the Council.

## **Title VI: Sector, Horizontal and Working Groups**

### **Art. 24. – Composition and tasks**

On the request of a relevant number of companies commercially active in the same sector of the engineering industries, the Management Board may set up Sector Groups. Sector Groups shall support the association in fulfilling its purpose through devoting their efforts to sector-related matters by promoting the interests of the specific type of industry within the framework of the Association internally and externally, including vis-à-vis authorities and other competent institutions and other groups of business. Sector Groups may not act in a way that contradicts the interest and the general policy of the Association.

A specific Sector Group is open to those members of the Association which are commercially active in the same sector of the engineering industries and which are able to constructively contribute to the purpose and activities of the sector group as defined in its Internal Rules.

A Sector Group may set up Working Groups subject to approval by the Management Board. Working Groups have the purpose to promote the cooperation between Sector Groups and companies which do not fulfil the requirements for membership of the Association according to Article 5.

Upon request by a group of members Horizontal Groups shall be set up by the Management Board to deal with horizontal issues which are of interest to more than one sector. Members of the Association may send representatives to all Horizontal Groups.

Specific provisions of the internal rules of the Association shall specify the tasks and the operating rules of these groups.

## **TITLE V: INTERNAL RULES**

### **Art. 25. – Internal rules**

A set of internal rules may be drafted by the Management Board and submitted for approval to the General Assembly. Any amendments to these internal rules shall be decided by the General Assembly in accordance with the presence and majority requirements as provided for in Article 14 of these statutes.

## **TITLE VI : FINANCIAL YEAR. ACCOUNTS. BUDGET. STATUTORY AUDITOR**

### **Art. 26. – Financial year**

The financial year of the Association shall run from 1<sup>st</sup> January through 31<sup>st</sup> December; provided that the first financial year of the Association shall run from the date of the Association's constitution through 31 December 2005.

### **Art. 27. – Accounts. Budget**

The Management Board must submit for approval to the General Assembly the accounts of the past years and the budget for the next years.

### **Art. 28. – Statutory auditor**

If the law requires so, the Management Board shall nominate a statutory auditor of the Association, chosen between the members of the "Institut des Reviseurs d'Entreprise".

The statutory auditor shall draw up a yearly report on the accounts of the Association.

This report shall be submitted to the General Assembly.

## **TITLE VII : AMENDEMENTS TO THE STATUTES. DISSOLUTION. LIQUIDATION**

### **Art. 29. – Amendments to the statutes**

Requests to amend the statutes of the Association may be put forward by:

- the Management Board;
- at least one third of all the Full Members through request in writing addressed to the Management Board, indicating the purpose of the modifications and their justifications.

The General Assembly can validly deliberate on the amendments to the statutes only if the modifications are explicitly mentioned in the convocation and if at least two thirds of the Full Members are present or represented at the General Assembly.

No amendment can be adopted if it does not obtain a majority of two thirds of the votes of the Full Members present or represented. Blank votes, invalid votes and abstentions shall not be counted.

If two thirds of the Full Members are not present or represented at the first meeting, a second General Assembly may be convened, at least fifteen days after the first General Assembly, which shall validly deliberate, irrespective of the number of Full Members present or represented, in accordance with the majorities provided for in the second paragraph of the present Article, and decide the amendments.

Any decision of the General Assembly relating to the amendments of the statutes shall require the approval of the King or the Minister of Justice or his/her representative, as the case may be, and be published in accordance with the law.

### **Art. 30. – Dissolution. Liquidation**

Requests for dissolution of the Association may be put forward by:

- the Management Board;
- at least one third of all the Full Members through request in writing addressed to the Management Board, indicating the justification of this request.

The General Assembly can validly pronounce the dissolution of the Association only if the proposition is explicitly mentioned in the convocation and if at least two thirds of the Full Members are present or represented at the General Assembly.

No decision can be made if it does not obtain a majority of two thirds of the votes of the Full Members present or represented. Blank votes, invalid votes and abstentions shall not be counted.

If two thirds of the Full Members are not present or represented at the first meeting, a second General Assembly may be convened, at least fifteen days after the first General Assembly, which shall validly deliberate, irrespective of the number of members present or represented, in accordance with the majority provided in the third paragraph of this Article, and pronounce the dissolution of the Association.

Any decision of the General Assembly relating to the dissolution of the Association is subject to the additional requirements imposed by applicable law.

Unless otherwise decided by the General Assembly, and in accordance with the requirements of Belgian law, upon the dissolution and liquidation of the Association, the Association's net asset shall be distributed to a non-profit fund, foundation or association, which is organized and operated for similar or identical purposes as those of the Association.

### **Art. 31. – Varia**

Anything that is not provided for in these statutes shall be governed by the provisions of Title III of the law of 27 June 1921 on non-profit associations, international non-profit associations and foundations.