

## **FINAT**

**International Federation of manufacturers and converters of self-adhesive and heat-seal materials on paper and other substrates.**

### **Articles of Association**

#### **General Clauses - Article 1**

- 1.1. The Association is named FINAT. This is an abbreviation of the French title "FÉDÉRATION INTERNATIONALE DES FABRICANTS ET TRANSFORMATEURS D'ADHÉSIFS ET THERMOCOLLANTS SUR PAPIERS ET AUTRES SUPPORTS".
- 1.2. The Association was established on 7<sup>th</sup> November, 1958 in Paris for an unlimited period of time.
- 1.3. The Association is designated hereafter as „The Association“.
- 1.4. The Association is domiciled in The Hague, The Netherlands and is governed by Dutch Law.
- 1.5. The annual administrative period for the Association is identical with the calendar year.
- 1.6. The ordinary annual General Assembly, hereafter referred to as the General Assembly, takes place within the first 6 months of the calendar year. Thirty days notice will be given for such a meeting.
- 1.7. The business and administrative language at the General Assembly, in the Board, the Committees, and for the secretariat is English.

#### **Purpose and Compliance - Article 2**

- 2.1 The purpose of the Association is to promote world-wide the interests of the converting industry of self-adhesive materials and related substrates.
- 2.2 All members of the Association, as well as all bodies thereof, shall comply with the rules of Competition Law. By participating in FINAT activities, FINAT Members confirm their knowledge and understanding of the FINAT Antitrust Guidelines.

#### **Means - Article 3**

- 3.1. The Association seeks to achieve this purpose by:
  - 3.1.1. Studying issues in the commercial and economic field related to the market;
  - 3.1.2. Performing research on quality items and promoting quality improvements;
  - 3.1.3. Studying and promoting standardisation;
  - 3.1.4. Promoting the use of self-adhesive materials and related substrates;
  - 3.1.5. Collecting, processing, publishing statistical data;
  - 3.1.6. Co-operating with public and private bodies in all countries, as well as with international organisations;
  - 3.1.7. Promoting contacts among members;
  - 3.1.8. Any other suitable means that remains within the framework of the law.

#### **Members - Article 4**

- 4.1. The Association comprises the following member types:
  - Ordinary Members**
    - 4.1.1. **Category A:** label manufacturers
    - 4.1.2. **Category B:** manufacturers of self-adhesive and heat-seal materials, presses, inks, dies, application machinery, auxiliary equipment and materials
    - Extraordinary Members**
      - 4.1.3. **Category C:** manufacturers of papers, films, foils, adhesives, silicones, release liners, coating equipment, service providers
      - 4.1.4. **Category D:** national associations of label manufacturers, institutes, information media
      - 4.1.5. **Category E:** Honorary Members, elected by the General Assembly, following a Board proposal. Election is for an indefinite period. Honorary Members are exempted from paying the FINAT membership fee.
  - 4.2. All members are entitled to attend the General Assembly.
  - 4.3. Only Ordinary Members (categories A and B), as well as category C members active in one or more of FINAT's permanent committees exercise voting right and are eligible to Board member-

ship.

**Entry of members - Article 5**

- 5.1. Applications for membership are addressed to the Secretariat.
- 5.2. The Secretariat informs all Ordinary and Extraordinary Members of categories A, B, C in writing of such an application.
- 5.3. If, within 30 days from the date of the circular letter referred to in art. 5.2., the Secretariat has received no objections expressed in writing, the application for membership is considered as accepted by the Board. The applicant is sent written confirmation, the date of which is the date from which he is considered to be a member.
- 5.4. If objections are raised by one or more members, within the 30 days period, the Secretariat submits these to the Board. If the Board votes the objections justified, the applicant is informed that he is not admitted to the Association.

**Termination of membership - Article 6**

- 6.1. Every member may discontinue membership at any time by giving three months' notice in a letter addressed to the Secretariat by registered mail.
- 6.2. Membership in this case ceases three months after receipt by the Secretariat of such a letter. The membership fee, however, remains due for the entire year in which membership terminates.

**Expulsion - Article 7**

- 7.1. The Board may expel a member if at the end of a year and two months after summons to pay, the full amount of membership fee for that year has not been paid.
- 7.2. For any other reason, expulsion of a member can only be decided by the General Assembly; such decision is taken on a proposal of the Board and requires a 2/3 majority of the voting members of the association present at the General Assembly.

**Board - Article 8**

- 8.1. The Association is managed by a Board which ideally comprises a minimum of 11, but not more than 15 members. The Board includes the President and the Treasurer and should also include a Vice-President and the Past-President. The composition of the Board as far as possible should reflect the membership both country and business-wise. The Board should always contain a majority of Ordinary Members from Category A members. Board membership is not remunerated.
- 8.2. Board members are elected by the General Assembly for a three year term and are eligible for re-election to a further term of three years, after which time they must resign as members of the Board.
- 8.3. Board membership is automatic but subjected to confirmation by the General Assembly in the case of the Chairmen of the Technical Committee, the Marketing Committee, the Sustainability and Recycling Committee, the Membership Committee, as well as the FINAT Young Managers Club.
- 8.4. The President and Vice-President are elected by the General Assembly on a proposal of the Board. They are automatically a member of the Board regardless of their previous duration of the term of office. The President holds office for one term of two years, thereafter, he becomes immediate Past-President for another two years. Only Ordinary Members from category A are eligible for the Presidency or Vice-Presidency.
- 8.5. In case of vacancy of the President's office, the Vice-President holds office until the next General Assembly. In case the Vice-President cannot fulfil the office, the Past-President is called in.
- 8.6. The Board can delegate the management of daily affairs to a Managing Director.
- 8.7. The Board meets on the initiative of the President or on the initiative of three Board members.
- 8.8. Board decisions are carried out by a straight majority. Voting is compulsory for all Board members present. When votes are equally divided the President's vote is decisive. Valid decisions can only be taken when the meeting is attended by 50 % plus 1 of the Board members (quorum). The Secretary-General has a consultative position only.
- 8.9. From its members the Board elects a Treasurer who, in close co-operation with the Managing Director, and based on the annual audit of the books by a recognised Chartered Accountant, presents the account, the budget and forecast to the General Assembly.

8.10. The Board may appoint Committees Taskforces and install (on-line) Meeting Platforms.

**Powers of the Executive Board - Article 9**

The President together with either the Vice-President or immediate Past-President and the Treasurer can act on behalf of the Association and can direct execution of, or endorse, any operational activities relating to the purpose of the Association.

**Committees - Article 10**

- 10.1. The Association has four permanent committees: the Technical Committee, the Marketing Committee, the Sustainability and Recycling Committee and the Membership Committee. These committees as well as any other (sub)committees, taskforces and (on-line) meeting platforms installed by the Board formulate their own mission and working programme, which require approval by the Board. Whereas the Mission of each Committee shall be reviewed on a three-yearly basis, the working programme shall require annual appraisal and approval by the Board.
- 10.2. The size and composition of the Committees members is proportionate to the mission and working programme approved by the Board in accordance with article 10.1.
- 10.3. Committee membership is open to all members. Committee members are elected by the committee for a three year term, and can be re-elected for three year terms. Committee membership is based on personal competence and area of expertise and shall be subject to annual appraisal by the (sub)Committee Chairman. Nominations for re-election shall be assessed against the Committee member's past contribution to the committee work, the composition of the Committee as well as pending applications for Committee membership. If a member fails to take part in three consecutive meetings, the member shall resign from the Committee. Committee membership is not remunerated.
- 10.4. Committees elect their own Chairman for a period of three years. Re-election is possible for three year terms. Committees fix their own meeting schedule, however, they meet at least twice a year.
- 10.5. Each Committee shall establish permanent Sub-committees and may install Task Forces to deal with different tasks assigned to them by the Board. Upon proposal by the Committee Chairmen, each Committee member shall be part of Sub Committee and/or Task Force. Sub Committee and/or Task Forces may call upon expertise from Members and third party representatives who currently are not a member of the Committee.
- 10.6. Committee chairmen are automatically members of the Board during the period they hold office following the confirmation by the General Assembly.
- 10.7. Information on Committee work should be communicated to the general membership for which preferably the official FINAT media (FINAT Labelling News and the FINAT Homepage) should be used. Additionally, every Chairman presents an activity report at the General Assembly.
- 10.8. Committees may establish House Rules to be approved by the Board to define the further procedural arrangements within their Main and Sub Committees

**Label Printer Forum - Article 11**

- 11.1. The **Label Printer Forum** serves as a discussion forum for Ordinary Members of category A It deals with management issues in relation to self-adhesive label practice, this in the widest sense, and serves as platform for dialogue and interaction with relevant stakeholders.
- 11.2. The **Label Printer Forum** is chaired by the Vice President of FINAT. The LPF sets its own meeting schedule.

**FINAT Young Managers Club - Article 12**

- 12.1. The FINAT Young Managers Club serves as the meeting platform for business owners, managers and executives under the age of 40 from FINAT Member Companies to exchange knowledge and experience, expand their business network, develop common projects, participate in management exchange programmes and develop their personal competence.
- 12.2. Membership of the FINAT Young Managers Club is free of charge for representatives from FINAT Member Companies. Representatives from non FINAT Member companies can become an 'associate' of the FINAT Young Managers Club for a period of 24 months at a special Young Managers Club associate fee to be determined by the Board. After that period, they can only take part in

- Young Managers Club activities in case their company has joined FINAT as a Member in accordance with the conditions as set out in articles 4 and 5.
- 12.3 The FINAT Young Managers Club is governed by the Young Managers Board consisting of a President, a Vice President, a Treasurer/fundraiser, a Programme Leader and a Membership Promotion Leader. The members of the Young Managers Board are elected by the members of the Young Managers Club for a period of three years, subject to confirmation by the FINAT Board. Re-election is possible for one more term of three years on the same conditions. The Young Managers Board sets its own meeting schedule and is responsible for the preparation and execution of the FINAT Young Managers Club Programme.
  - 12.4 The President of the Young Managers Board automatically becomes member of the Board during the period he holds office following the confirmation by the General Assembly.
  - 12.5 The Young Managers Board meets annually with the FINAT Board to evaluate the previous year and determine the programme for the next year. The FINAT Board allocates an annual budget for the execution of the FINAT Young Managers Club programme, and the Young Managers Board may raise supplementary resources subject to Board approval to fund their programme. The FINAT Board appoints a mentor who monitors progress on a daily basis and to whom the Young Managers Board President reports.
  - 12.8 The FINAT Young Managers Club may establish its own House Rules to be approved by the Board.

#### **General Assembly - Article 13**

- 13.1. The General Assembly is chaired by the President, or, in his absence, by the Vice-President, in cases where they are both absent then by the immediate Past-President, or, in the case of his absence by one of the other members of the Board.
- 13.2. The General Assembly is convened by the Secretariat in writing with thirty days' notice. The agenda for the General Assembly is prepared by the Board. Only items tabled on the agenda can be discussed, unless the General Assembly by a unanimous vote decides to add a further item to the agenda.
- 13.3. The General Assembly approves the minutes of the previous General Assembly.
- 13.4. The General Assembly discharges the Board for its activities on behalf of the Association in the past year based on the President's annual report, the presentation of the accounts by the Treasurer and the Auditor's report.
- 13.5. The General Assembly approves the budget of the running year. This budget is based on the forecast presented to the General Assembly the previous year.
- 13.6. The General Assembly approves the forecast for the next year including the membership fees.
- 13.7. The General Assembly elects the President, the Vice-President and all the other Board members. The General Assembly is authorised to suspend or dismiss Board Members.
- 13.8. At the General Assembly member firms may be represented by persons belonging to their management, or by persons who carry an authorisation of their management.
- 13.9. The General Assembly takes decisions by a simple majority of the voting members present or represented as per 4.3. of these articles.
- 13.10. Every member has the right to submit proposals for discussion at the General Assembly. Such proposals are to be addressed to the Secretariat at least 40 days prior to the meeting.
- 13.11. A Member may be authorised to vote on behalf of another Member via a written proxy submitted to the secretariat prior to the General Assembly. The requirement of a written proxy is considered to have been met in case the proxy has been submitted electronically.
- 13.12. A Member entitled to vote but unable to attend the General Assembly personally may cast his vote via electronic means of communication in case this medium allows the identification of the Member, the ability to take notice of the proceedings real-time as well as the ability to cast votes electronically.
- 13.13. Votes that have been cast electronically prior to but less than 30 days before the General Assembly are considered to equal votes cast at the time of the General Assembly.
- 13.14. The use of electronic means of communication for voting during the General Assembly may be subject to conditions as laid down in separate House Rules.

**Funds - Article 14**

- 14.1. Funds of the Association may be obtained from:
  - 14.1.1. Membership fees;
  - 14.1.2. Capitation fees;
  - 14.1.3. Special emoluments;
  - 14.1.4. Interest;
  - 14.1.5. Loans;
  - 14.1.6. Incidental revenue.
- 14.2. Each member of the Association pays an annual membership fee. The basis and the rates for this fee are decided by the General Assembly on a proposal from the Board.
- 14.3. Funds of the Association will be kept by the Secretariat in specific accounts with recognised financial institutions.
- 14.4. Accounts will be audited annually by a recognised public accountant.

**Secretariat - Article 15**

- 15.1. The Association has a Secretariat.
- 15.2. The Secretariat is managed by the Managing Director who is bound to professional secrecy. He acts under instructions of the President and reports to the Board.
- 15.3. The Secretariat is subjected to a signed contract. Its activities may be remunerated.
- 15.4. The Secretariat collects membership fees.
- 15.5. The Secretariat keeps full accounts of income and expenditure.
- 15.6. The Secretariat keeps funds of the Association in specific accounts with recognised financial institutions.
- 15.7. The Secretariat may be transferred to any other location or place by a Board decision.

**Amendments of articles - Article 16**

- 16.1. On a proposal from the Board, the General Assembly may decide amendment of these articles.
- 16.2. The quorum for such a meeting shall be two-thirds of the membership entitled to vote. A two-third majority of the votes is required for a decision.
- 16.3. If a quorum is not achieved in this Assembly, a second meeting is held, in which meeting it is decided upon the proposed amendment by a majority of the votes, irrespective of the number of Ordinary Members present or represented. The „no opinion“ votes will not be taken into consideration when calculating the majority opinion.

**Disbandment and liquidation - Article 17**

- 17.1. A decision for disbanding and liquidation of the Association can only be taken by the General Assembly, in accordance with the requirements laid down in article 16.
- 17.2. When deciding to disband the Association, the General Assembly appoints a committee to settle the financial matters of the Association.
- 17.4. The destination of a surplus will be determined by the General Assembly, upon proposal by the Board.

These articles are approved in the Netherlands by Royal Assent No. 122 of 22nd August, 1973, redrafted by notarial act on 22nd September, 1995 and again on 11 January 2001, 8 June 2006 and .. June 2010