

FINAT – the association for the European Label Industry

Articles of Association

General Clauses - Article 1

- 1.1. The Association is named FINAT. This is an abbreviation of the original 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 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 the interests of the European self-adhesive label and narrow-web converting industry.
- 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. Promoting the collection, dissemination and sharing of relevant information, knowledge and experience among members;
 - 3.1.2. Studying issues in the commercial and economic field related to the market;
 - 3.1.3. Performing research on quality items and promoting quality improvements;
 - 3.1.4. Studying and promoting industry standardisation and best practices;
 - 3.1.5. Promoting the use of self-adhesive and related narrow-web technologies;
 - 3.1.6. Collecting, processing, publishing statistical and market data;
 - 3.1.7. Stimulating management development and harmonisation of technical skills and competences;
 - 3.1.8. Co-operating with public and private bodies in all countries, as well as with international organisations;
 - 3.1.9. Promoting contacts among members;
 - 3.1.10. Facilitating industry collaboration in compliance with article 2.2.;
 - 3.1.11. Voicing the common interests of the members towards external parties;
 - 3.1.12. 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 and narrow-web converters.
 - 4.1.2. **Category B:** suppliers to category A members, including manufacturers of self-adhesive and other narrow web substrates, presses, inks, dies, application machinery, auxiliary equipment and materials, manufacturers of papers, films, foils, adhesives, silicones, release liners, coating equipment, service providers.
 - Extraordinary Members**
 - 4.1.4. **Category C:** national associations of label manufacturers, institutes, information media.



May 2023

- 4.1.5. **Category D:** 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) exercise voting right and are eligible to Board membership.

Entry of members - Article 5

- 5.1. Applications for membership are addressed to the Secretariat.
- 5.2. The Secretariat informs all Ordinary Members 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.
- 5.5. In case of rejection of a membership application by the Board, the applicant has the right to call for a hearing by the FINAT Board. In case Board sustains the rejection, this decision is final and the applicant has no right of appeal.

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 is responsible for the Association's overall strategy and execution. The Board ideally comprises a minimum of 15, but not more than 25 members. The Board includes the President and the Treasurer and shall 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. Board membership is not remunerated. Board members may receive a compensation for office, travel and accommodation expenses. The Board will determine the conditions of expense compensation.
- 8.2. Board members are elected by the General Assembly for a three-year term and are eligible for re-election for a second 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 Chairs and Co-chairs of the Workstreams..
- 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 and may be re-elected for another term of two years. Thereafter, he becomes immediate Past-President for another two years. The Vice President may be re-elected for a second term of 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.

May 2023

- 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 Managing Director 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 examination 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 Workstreams, Working Groups, Taskforces and install (on-line) Meeting Platforms.
- 8.11. The Board shall establish and maintain a Governance Document to define individual Board member responsibilities as well as further procedural arrangements regarding the operational structure of the Association. The Governance Document shall also contain a rotation scheme.
- 8.12. In case of temporary absence or vacancy of all board members or the only board member, the person whom the general meeting has designated or will designate for this purpose is temporarily charged with the management; that person shall take the necessary measures as soon as possible in order to have a definitive provision made. 'Temporary absence' means suspension and furthermore any case of temporary impossibility to get in touch, where there has been no possibility of contact between the board member concerned and the association for a period of at least fourteen days.
- 8.13. A Board member who has a conflicting or proprietary interest in a Board decision shall not participate in the deliberations and decision-making thereon. If the full Board has a conflicting or own interest, the decision-making power shifts to the association's General Assembly.

Powers of the Executive Board - Article 9

- 9.1. The Executive Board is responsible for the management of the Association's daily affairs. It consists of the President, Vice President, Past President, Treasurer as well as the Chairs of the Workstreams.
- 9.2. In accordance with good practice of succession planning, the Executive Board, subject to approval by the Board, selects and nominates a candidate for election as Vice President by the General Assembly.
- 9.3. The President together with either the Vice-President, the immediate Past-President or 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.
- 9.4. The Executive Board can delegate and authorise responsibilities related to the management of daily affairs to a Managing Director.
- 9.5. Executive Board decisions are carried out by a straight majority. Voting is compulsory for all Executive 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 Executive Board members (quorum). The Managing Director has a consultative position only.

Committees - Article 10

- 10.1. The Association has at least four permanent Workstreams. Within each Workstream, permanent Working Groups and temporary Taskforces (hereafter referred to collectively as 'Committees') may be installed by the Board subject to approval by the General Assembly. These Committees, once 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 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 subject to the conditions defined in the Governance Document referred to under Article 10.8. Committee members are elected by the committee for a three-year term. They can be re-elected for three-year terms, Committee membership is not remunerated.
- 10.4. Committees elect their own Chair and Co-chair 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 Workstream shall establish permanent Working Groups and may install temporary Taskforces to deal with different tasks assigned to them by the Board. Upon proposal by the Workstream Chair and Co-chair, each Workstream member shall be part of Working Group and/or Taskforce. Working Groups

May 2023

and/or Task Forces may call upon ad-hoc expertise from Members and third party representatives who currently are not a member of a Committee.

- 10.6. Workstream Chairs and Co-Chairs 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 Online, the FINAT Website and Community) shall be used. Additionally, an activity report is presented at the General Assembly and in the FINAT Yearbook.
- 10.8. Committees shall adopt the Governance Document established together with the Board to define the further procedural arrangements within their Working Groups and Taskforces.

General Assembly - Article 12

- 12.1. 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.
- 12.2. 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.
- 12.3. The General Assembly approves the minutes of the previous General Assembly.
- 12.4. 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.
- 12.5. 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.
- 12.6. The General Assembly approves the forecast for the next year including the membership fees.
- 12.7. 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.
- 12.8. 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.
- 12.9. The General Assembly takes decisions by a simple majority of the voting members present or represented as per 4.3. of these articles.
- 12.10. 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.
- 12.11. 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.
- 12.12. 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.
- 12.13. 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.
- 12.14. The use of electronic means of communication for voting during the General Assembly may be subject to conditions as laid down in separate Governance Document.

Funds - Article 13

- 13.1. Funds of the Association may be obtained from:
 - 13.1.1. Membership fees;
 - 13.1.2. Capitation fees (participation fees, project related fees etc.);
 - 13.1.3. Event and media related revenues (advertising, sponsoring);
 - 13.1.3. Special emoluments;
 - 13.1.4. Interest;
 - 13.1.5. Loans;
 - 13.1.6. Incidental revenue.
- 13.2. 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.



May 2023

- 13.3. Funds of the Association will be kept by the Secretariat in specific accounts with recognised financial institutions.
- 13.4. The Board will have the accounts examined annually by an accountant of choice in an agreed-upon manner.

Secretariat - Article 14

- 14.1. The Association has a Secretariat.
- 14.2. The Secretariat is managed by the Managing Director who is bound to professional confidentiality. He acts under instructions of the President and reports to the Board.
- 14.3. The Secretariat is subjected to a signed contract and is authorised by the Board to execute the necessary procurement activities. Its activities may be remunerated.
- 14.4. The Secretariat collects membership fees.
- 14.5. The Secretariat keeps full accounts of income and expenditure.
- 14.6. The Secretariat keeps funds of the Association in specific accounts with recognised financial institutions.
- 14.7. The Secretariat may be transferred to any other location or place by a Board decision.

Amendments of articles - Article 15

- 15.1. On a proposal from the Board, the General Assembly may decide upon the amendment of these articles.
- 15.2. 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.
- 15.3. 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 16

- 16.1. 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.
- 16.2. When deciding to disband the Association, the General Assembly appoints a committee to settle the financial matters of the Association.
- 16.4. 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, 9 June 2011, 4 June 2013, 31 May 2017, 7 February 2019 and 2023.