

ARTICLES OF THE ASSOCIATION

for European Surface Treatment on Aluminium ESTAL

I. GENERAL

1. Name

There is an association with the name of:

European Surface Treatment on Aluminium
abbreviated as **ESTAL**

German: Europäische Vereinigung für die Aluminium-Veredlung
French: Association Européenne du Traitement de Surface sur Aluminium

as defined in articles 60 ff. of the Swiss Civil Code.

2. Domicile

The Association (hereinafter named ESTAL) is domiciled in Zurich.

3. Objects

The objects of ESTAL are to represent and further the common interests of its members at international level, and to be a forum of information exchange for its members. It may undertake any legal acts that are directly or indirectly connected with the objects of ESTAL or conducive to promoting them. No resolution shall be passed which could bring a member into conflict with the law in his country.

4. Profits

ESTAL is a nonprofit-making institution. The members shall receive neither reimbursement nor shares in profits.

II. MEMBERSHIP

5. Members

5.1. Full Members

Full membership is open to all national associations located in the European countries mentioned hereunder and representing the industry of aluminium surface treatment in their respective countries. (anodisers' associations, coaters' associations or a combination of the two). Only one association per industry and per country shall be admitted as a full member of ESTAL.

Europe is to be understood as follows:

Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxemburg, Macedonia, Malta, Moldavia, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom, or their successors.

5.2. Associate Members

- National associations of the aluminium finishing industries located outside of Europe,
 - Individual companies of the aluminium finishing industry located in countries inside and outside of Europe, where no representative national trade association has yet been formed as well as
 - any other organisation that has a commercial, scientific, industrial, technical or political interest in aluminium surface treatment,
- may be accepted as associate members of ESTAL.

5.3. Other Aluminium Finishing Industries

ESTAL shall be open to all aluminium finishing industries. If necessary, these Articles of Association shall be amended accordingly.

6. Admission to ESTAL

Applications for membership shall be made to the Secretariat of ESTAL in writing. Applicants shall be accepted as members when their application has been approved by the Members' Assembly of ESTAL.

7. Withdrawal and Expulsion

- 7.1. Any member may withdraw from ESTAL upon submission of written notice to the Secretariat by registered letter. The term of notice shall be six months before 31 December of the current year. The member shall be liable for payment of the membership contribution until the date of his withdrawal from ESTAL and the contribution must be paid by that date.
- 7.2. Any member of ESTAL may be expelled for important reasons by a resolution passed by the Members' Assembly. The member threatened with expulsion must be granted the possibility of having his case heard before any resolution is taken.

III. ORGANISATION OF ESTAL

8. Bodies

The bodies of ESTAL shall be:

1. the Members' Assembly
2. the Executive Committee
3. the President and Vice-President
4. the Secretariat
5. the Auditors

9. Annual Members' Assembly

- 9.1. The Members' Assembly is the supreme authority of ESTAL and shall be held at least once in every year.

- 9.2. Every full member of ESTAL shall be represented at the Members' Assembly by one delegate if it represents anodisers only or coaters only and by two delegates if it represents a combined association. Associate members shall only be admitted if invited by the President and they shall have no vote

10. Extraordinary Members' Assembly

An Extraordinary Members' Assembly may be convened at any time by the Executive Committee or at the request of at least six full members of ESTAL upon presentation of their grounds for this request.

11. Notice of Assemblies

- 11.1. Notice of the Ordinary Annual Members' Assembly shall be served by the Secretariat upon all full members not less than three months before the meeting is to take place.
- 11.2. An Extraordinary Members' Assembly may be called upon 20 days notice.
- 11.3. Items of business proposed for the agenda of the Ordinary Members' Assembly shall be submitted to the Secretariat not less than two months before the meeting is to take place. The Secretariat shall dispatch the agenda one month before the Ordinary Members Assembly is to be held.
- 11.4. The Secretariat shall dispatch the agenda for the Extraordinary Members' Assembly 20 days before the meeting, stating the grounds for the Extraordinary Assembly.

12. Powers of the Members' Assembly

- 12.1. Election of the Executive Committee Members.
- 12.2. Election of the President and the Vice-President, auditor, deputy auditor.
- 12.3. Membership in other associations or organisations.
- 12.4. To pass the balance sheet and the profit and loss account and approve the budget.
- 12.5. To give discharge to the Executive Committee and Secretariat for the activities carried out during the previous year.
- 12.6. To determine the normal contributions of the full members and associate members and to pass resolutions on any exceptional contributions by the full members and associate members. To determine any enrolment fees for new full and associate members.
- 12.7. To resolve on the admission and expulsion of members.
- 12.8. To pass resolutions on the proposals duly submitted to the Members' Assembly by the Executive Committee and full members.
- 12.9. To draft and amend Articles of Association.
- 12.10. To pass a resolution to dissolve ESTAL.

13. Rules of Procedure at Members' Assemblies

- 13.1. The President or, in his absence, the Vice-President or one of the members of the Executive Committee shall preside over the Members' Assembly.

- 13.2. Every full member in which both industries (anodisers and coaters) are represented shall have 2 votes at the Members' Assembly. Every full member representing only one of the industries shall have 1 vote.
- 13.3. The Members' Assembly shall be entitled to pass valid resolutions only if delegates representing not less than two-thirds of the votes are present.
- 13.4. All resolutions with the exception of those relating to amendments to the Articles of Association or the dissolution of the Association require to be passed by a majority of not less than two-thirds of the votes entitled to be cast by the delegates present at the meeting. (Exceptions see art. 27 & 28).
- 13.5. Voting shall generally be by a show of hands. However, a ballot may be demanded by a simple majority of the delegates present at the Assembly.

14. Executive Committee

- 14.1 The Executive Committee, including the President and the Vice-President, shall comprise as many members as there are full members. They shall serve for a term of three years and be eligible for re-election. The term shall start immediately with the election and terminate at the end of the third Annual Members Assembly after the election.
- 14.2 The Executive Committee shall be elected so that both industries (anodisers and coaters) are represented by about the same numbers.

15. Rules of Procedure for the Executive Committee

- 15.1. Meetings of the Executive Committee shall be convened by the President who shall also take the chair. In the absence of the President, the Vice-President shall chair the meeting. In the absence of the President and of the Vice-President, the members present shall elect one of the delegates as chairman to preside over the meeting.
- 15.2. Any Executive Committee member who is unable to attend an Executive Committee meeting for compelling reasons shall delegate a competent proxy for attendance or give a written proxy for attendance to another member of the Executive Committee. No Executive Committee member shall hold more than one proxy during a meeting. The Executive Committee may pass valid resolutions only when the majority of its members are present in person.
- 15.3. Proxies may participate in the deliberations but may not participate in the votes and shall not be counted in the quorum.
- 15.4. Resolutions shall be passed by a simple majority of the Executive Committee members present. In the event of an equal vote, the chairman shall have the casting vote. Voting and elections shall generally be by a show of hands.
- 15.5. The members of the Executive Committee shall meet as often as is necessary to deal with the business in hand and also upon a requisition submitted by not less than three members of the Executive Committee.
- 15.6. The Executive Committee may pass resolutions by circular vote on proposals of the President. Such resolutions are valid as if they would have been passed in a meeting. Each Executive Committee member may request that the subject be put on the agenda for the next meeting. Resolutions passed by circular vote are valid only if passed unanimously.

16. Powers and Obligations of the Executive Committee

- 16.1. The Executive Committee shall represent ESTAL.

- 16.2. The Executive Committee shall be responsible for all matters not within the purview of the Members' Assembly.
- 16.3. The Executive Committee shall in particular have the following powers and obligations:
- a) The ultimate management of the association and the giving of the necessary directives.
 - b) The establishment of the organisation.
 - c) The structuring of the accounting system and of the financial controls as well as the financial planning.
 - d) The appointment and removal of the persons entrusted with the management and representation, including the appointment of delegates of ESTAL to any external organisations and liaison groups.
 - e) The ultimate supervision of the persons entrusted with the management, in particular in view of compliance with the law, the Articles of Association, regulations and directives.
 - f) The preparation of the business report.
 - g) Notification of the judge in case of over-indebtedness.
 - h) To designate authorized signatories with the limits authorized in art. 20.
 - i) To arrange and prepare the Members' Assembly.
 - j) To enforce the resolutions of the Members' Assembly.
 - k) To specify the subjects for the working groups and to appoint their convenors.
 - l) To receive the reports of the working groups and to decide on the further procedure.
 - m) To appoint the editorial staff for the ESTAL News and to formulate its guidelines.
 - n) To propose to the Members Assembly to pass a resolution in order to replace the President or the Vice-President.

17. Delegations of powers

- 17.1. The Executive Committee may delegate part of its powers to the President or the Vice-President for the purpose of representing the Association in dealings with third parties or for any particular task.
- 17.2. The President and Vice-President have to report regularly to the Executive Committee about their activities.

18. President and Vice-President

- 18.1 The Executive Committee shall nominate candidates for the functions of the ESTAL's President and Vice-President by ballot upon proposals made by the national associations.
- 18.2. The Members Assembly shall elect the President and the Vice-President on the basis of the nominations made by the Executive Committee.
- 18.3. Only individuals who are currently employed directly within the industry and who are already members of the Executive Committee shall be eligible to serve as President or Vice-President.

- 18.4. To be elected President or Vice-President in the first round, a candidate must secure an absolute majority of the votes cast by the delegates present or represented. If none of the candidates is elected in the first round, a second round shall be necessary. In the second round of voting, the candidate securing a simple majority of the votes shall be elected.
- 18.5. The President and the Vice-president shall serve for a term of 3 years. Immediate re-election of the President shall not be allowed. The Vice-President shall normally succeed the President at the expiration of the President's 3 year mandate.
- 18.6. In case the President is unable to perform his office or has given in his resignation, the Vice-President will replace him until the following Members Assembly. In case the Vice-President is unable to perform his office or has given in his resignation, the Executive Committee shall ask the following Members Assembly to elect a new Vice-President.

19. Powers of the President and the Vice-President

The President and/or the Vice-President have to act within the limits of powers as per section 17, or organisational Bye-Laws or the mandates given to them by the Executive Committee.

20. Acts binding the association

- 20.1. All acts binding the association shall be valid only if signed jointly by the President or the Vice-President and another Executive Committee member.
- 20.2. For the activities of the secretariat, the Executive Committee may delegate powers of signature to the General Secretary.

21. Secretariat

- 21.1. A Secretary General shall be appointed to implement the resolutions passed by the Members' Assembly and Executive Committee and to attend to the business of the Association.
- 21.2. The Secretary General shall organise his office, and present yearly accounts and budget proposals at the request of the President for the benefit of the Executive Committee.
- 21.3. The Secretariat shall keep minutes of every meeting. All documents drafted by the Secretariat shall be written in English.
- 21.4. The Secretariat shall be responsible for co-ordinating the working groups.

22. Auditors

- 22.1. The Members' Assembly shall elect one or more auditors for a period of three years who shall be eligible for re-election. The Members' Assembly may also nominate deputy auditors.
- 22.2. Legal entities shall also be eligible as auditors.

IV FINANCIAL MATTERS

23. Income

The income of ESTAL shall comprise mainly:

- the annual contributions from full members
- the annual contributions from associate members
- any exceptional contributions

- the remuneration of any service rendered by ESTAL to its members and third parties.
- any other form of authorised financial resource (e.g. congress income, sponsoring etc).

24. Annual Contributions

- 24.1. The annual contributions by the full members and associate members shall be fixed each year by the Members' Assembly which shall also determine the basis of calculation.
- 24.2. Each year, the annual contributions of the full members for the following year shall be fixed on the basis of the number of anodising and/or coating plants operated by members of the national association on 1st November of the past year.

25. Financial Year

The financial year shall coincide with the calendar year.

26. Responsibility

The assets of ESTAL shall alone be liable for the commitments of ESTAL. All possibility of any individual liability of the full members and associate members shall be excluded.

Only the association is liable for the activities of the association and of its bodies or committees which acted on behalf of the association. The association shall indemnify the members of the bodies or committees for any damage provided they have not acted fraudulently or grossly negligently.

V. AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND DISSOLUTION

27. Amendments to the Articles of Association

The Articles of Association may be amended at any time by a Members' Assembly where not less than two-thirds of the delegates are present or represented provided that three-quarters of those present or represented agree to such amendment. If the Members' Assembly is not entitled to pass valid resolutions, a second Members' Assembly shall be convened which shall at all events be entitled to do so. In such case not less than two-thirds of those present or represented must agree to the amendment.

28. Dissolution

- 28.1. The same conditions as specified under article 27 shall apply to resolutions to dissolve ESTAL.
- 28.2. In the event of the dissolution of ESTAL the Members' Assembly shall resolve on the distribution of any assets of the Association or on covering any losses incurred.

VI. FINAL CLAUSES

29. Official Language of ESTAL

The official language of ESTAL shall be English.

30. Official Currency:

The official currency of ESTAL shall be EURO.

31. Bye-Laws / Internal regulations

The Members Assembly may on a proposal from the Executive Committee, adopt one or more bye-laws (internal regulations), which shall be binding on all members as well as Bodies and Committees of the association. Such bye-laws will complete the Articles of Association, without however, in any way infringing their stipulations.

32. Validity

In the event that any section of these Articles of Association shall be found to be void or unenforceable, such findings shall not be construed to render any other sections of the Articles of Association either void or unenforceable, and all other sections shall remain in full force and effect unless the section(s) which is/are invalid or unenforceable shall substantially affect the rights or obligations of the association or its members. Any void or unenforceable section shall be considered replaced by a valid section with the closest possible meaning of the void or unenforceable section.

33. Applicability

All questions not covered by these Statutes or by any regulations made for their applications shall be settled in accordance with Swiss law.

34. Entry into Force of the Articles of Association

These Articles of Association approved by the Members' Assembly held in Innsbruck on 5.10.2006 and shall enter into force on 1.11.2006.

4.9.2006

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