

Articles of Association of the International Business Congress

Version as of 30 May 2019 (22nd Annual General Meeting)

Article 1 Name of the association

1.1 The association operates under the name "International Business Congress (IBC) e. V."

1.2 The official short form of the name is "IBC".

Article 2 Registered office and financial year

2.1 The IBC has its registered office in Berlin, Germany.

2.2 The association's financial year is the calendar year.

Article 3 Information regarding the association

3.1 The International Business Congress (IBC) e.V. (hereinafter referred to as "IBC") is an international non-state organisation. IBC is an association of companies and of associations of companies and organizations.

3.2 The IBC is an association having legal personality and is governed by German law.

3.3 The working languages of the IBC are German, English and Russian.

- 3.4 The IBC has letterheads and forms bearing its name in the working languages. The IBC also has an emblem; application for its registration is to be filed with the competent authority in accordance with the applicable statutory regulations.
- 3.5 The IBC conducts its activities in accordance with the law and these Articles of Association.
- 3.6 The IBC is committed to the principles of the rule of law, openness, self-governance, voluntariness and the equality of its members (subject to special rights regulated in these Articles of Association) and of mutual respect and trust.
- 3.7 The IBC's members are not liable for the association's obligations.

Article 4 Object of the association

- 4.1 The IBC's objects are:
- 4.1.1 participation in the development of intergovernmental and international economic cooperation between, but not limited to, the OSCE member states (“OSCE countries”),
- 4.1.2 international promotion of economic development in, but not limited to, the OSCE countries,
- 4.1.3 promotion of a sustained dialogue between politics and the business community.

4.2 The objects set out in the Articles of Association are achieved by IBC in particular by:

4.2.1 organizing and holding conferences, symposia and seminars on business issues and topics of current economic relevance,

4.2.2 formulating practical proposals for solutions conducive to international cooperation between companies,

4.2.3 passing on such proposals for solutions as recommendations to governments and the competent authorities as well as to international organisations,

4.2.4 promoting an efficient exchange of information and fostering contacts inside the IBC and externally,

4.2.5 establishing contacts with official, commercial and other agencies and with organizations at international and national level,

4.2.6 promoting cooperation between companies and international organizations,

4.2.7 promoting advanced vocational training for employers and for companies' employees,

4.2.8 organizing and holding information meetings and publications.

4.3 The purpose of the IBC is not directed towards commercial business operations. Neither does the IBC maintain any

commercial business operations or have any intention of making a profit.

4.4 The IBC funds may only be used for purposes in accordance with the Articles of Association. The members of the IBC receive no payments from IBC funds.

4.5 No person may benefit from disbursements which are inconsistent with the purpose of the IBC or from unreasonably high remuneration.

Article 5 Membership

5.1 All companies, irrespective of where they have their registered office and of their geographical or actual field of activity, as well as corporate associations and company organizations representing the interests of business undertakings may become members of the IBC.

5.2 Membership is divided into ordinary members, senior members and sponsoring senior members. Members pay the new membership fees and membership dues set out in Art. 5.4.1 and 5.4.2 for the relevant membership category, and they have the voting rights specified in Art. 9.6 for the passing of resolutions at the General Meeting. Apart from this, all members have the same rights and duties. Only non-profit organisations and companies with less than US\$ 50m turnover in the last fiscal year may become ordinary members. For banks and other financial institutions, the term “turnover” is replaced by the “aggregate income resulting from interest, dividends, fees and commissions,

net gains from securities dealing and from investment securities, net gains from foreign currency dealing and other operating income, net of value-added tax and other direct taxes. Should this turnover limit be surpassed during membership of the IBC, then a change from ordinary membership to senior membership will automatically occur for the following IBC fiscal year. Companies with an annual turnover of more than US\$ 1bn should generally be sponsoring senior members. There are no restrictions on becoming a senior membership or a sponsoring senior member, i.e. any member prepared to pay the corresponding new membership fees and membership dues may become a senior member or sponsoring senior member. In the case of a change from one membership category to a higher category, the difference in the higher new membership fee is to be paid in a single payment. In the case of a change to a lower membership category there is no reimbursement of the new membership fee.

5.3 Membership is conditional upon submission of a written application for membership to the Board of Directors. The Board of Directors decides on the application for membership; the decision is to be taken within 6 weeks.

5.4 The IBC charges members new membership fees and membership dues. The amounts are denominated in euros (€). The General Meeting of Members may change membership dues and new membership fees by resolution.

5.4.1 The new membership fee is € 2,000 for Ordinary Members, € 4,000 for Senior Members and € 16,000 for Sponsoring Senior Members.

The new membership fee is payable within one month of acceptance of the application for membership.

5.4.2 The annual membership dues are € 2,000 for Ordinary Members, € 4,000 for Senior Members and € 16,000 for Sponsoring Senior Members. Contrary to the previous sentence, the annual membership fee is € 800 for Ordinary Members who were already Ordinary Members when the amendment to the Articles of Association (adopted by the General Meeting of Members on 28 May 2015) was entered in the associations' register. The membership dues are to be paid annually in January (by 31 January) for each calendar year. If a member joins during a calendar year, membership dues are payable in full within a month for the entire current calendar year (there is no pro rata reduction).

5.5 With the agreement of the Board of Directors the membership of a member that is a parent company within the meaning of IFRS 10 Appendix A may be transferred to a subsidiary, as may that of a subsidiary within the meaning of IFRS 10 Appendix A to its parent company, provided the entity taking over the membership is not itself already a member. The entity transferring its membership remains jointly and severally liable with the recipient entity for payment of membership dues in arrears at the time of the transfer.

Article 6 Termination of membership

- 6.1 Membership of the IBC may be terminated at any time by written notice to the Board of Directors, with each Board of Directors member being entitled to accept the notice.
- 6.2 By resolution of the General Meeting of Members, a member may be excluded from the IBC for cause.
- 6.3 Reasons for exclusion are in particular:
- 6.3.1 serious or repeated infringement of the Articles of Association of the IBC,
- 6.3.2 non-payment of the new-membership fee or membership dues despite two written reminders,
- 6.3.3 a member's insolvency or over-indebtedness.
- 6.4 New-membership fees, membership dues and voluntary contributions are not refunded to a member who has left or been excluded.

Article 7 Members' rights and duties

- 7.1 Members of the IBC have in particular the following rights:
- 7.1.1 to participate in General Meetings of Members and to exercise their voting rights and make proposals for the Agenda of General Meetings of Members,

7.1.2 to receive information on IBC activities and its management bodies and to obtain any publications of the IBC,

7.1.3 to make proposals to the IBC for the development of its activities, to make inquiries and statements to all bodies of the IBC and to participate as appropriate in the activities of groups of experts and working groups.

7.2 Members of the IBC are obliged in particular:

7.2.1 to comply with the provisions of the Articles of Association and the principles of the IBC, and to promote as far as possible the realization of the tasks set out in the Articles of Association,

7.2.2 to contribute as far as possible to the success of IBC's activities and to improving cooperation between its members,

7.2.3 to pay new-membership fees and membership dues in full and punctually.

Article 8 Management bodies of the IBC

8.1 Management bodies of the IBC are:

8.1.1 the General Meeting of Members,

8.1.2 the President and Vice-President,

8.1.3 the Presiding Committee,

8.1.4 the Board of Directors.

Article 9 General Meeting of Members

9.1 The General Meeting of Members is responsible in particular for:

9.1.1 accepting the Board of Directors' annual report with the annual accounts (balance sheet with profit and loss account),

9.1.2 ratifying the actions of the President and Vice-President,

9.1.3 ratifying the actions of the Presiding Committee,

9.1.4 ratifying the actions of the Board of Directors,

9.1.5 electing the President, Vice-President and members of the Presiding Committee of the IBC,

9.1.6 amending membership dues and new- membership fees,

9.1.7 adopting resolutions on applications submitted to the General Meeting of Members, amending the Articles of Association and dissolving the association,

9.1.8 excluding members.

9.2 General Meetings of Members may be held at any suitable place in this country or abroad. When choosing the location for the General Meeting of Members the Board of Directors must take into account the interests of the members and where they are

based so as to facilitate in a practical way their participation in the General Meeting of Members.

- 9.3 A General Meeting of Members should take place by no later than 30 June each year to accept the annual report with the annual accounts and pass resolutions ratifying the actions of the Board of Directors and Presiding Committee for the preceding year (ordinary General Meeting of Members). Extraordinary General Meetings of Members must be convened if required in the interest of the association.

This is without prejudice to Section 37 of the BGB (German Federal Civil Code).

- 9.4 General Meetings of Members are to be convened by the President and Vice-President or by any two members of the Board of Directors with one month's notice in writing with details of the Agenda. In the case of members who have an e-mail address, notice of the meeting may be sent also by e-mail. The notice period begins on the day after the day the letter of invitation or e-mail invitation is sent. The notice period does not apply to members whose membership begins during the period; such members should, as far as possible, be invited without compliance with the notice period; they are automatically entitled to participate in the General Meeting of Members. The letter of invitation is deemed to have been received by the member if sent to the last postal address notified to the association in writing by the member or to the last e-mail address notified in writing or by e-mail by the member to the association. The absence of an invitation or mistakes in the same is/are not detrimental, provided the member affected

waives the making of a complaint or attends the General Meeting of Members without making a complaint.

- 9.5 The General Meeting of Members is chaired by the President. It may also be chaired by the Vice-President or another person determined by the General Meeting, in particular in the absence of the President.
- 9.6 In the passing of resolutions at the General Meeting, each Ordinary Member has one vote, each Senior Member has five votes and each Sponsoring Senior Member has 20 votes. The General Meeting is quorate if at least one half of the votes are represented.
- 9.7 The General Meeting of Members generally passes resolutions by a simple majority of votes cast. However, a majority of three quarters of votes cast is required to amend the Articles of Association or to dissolve the association.
- 9.8 The form of voting is determined by the Chairperson of the Meeting. Minutes must be kept of resolutions adopted by the General Meeting of Members and these minutes must be signed by the Chairperson of the Meeting; they must be in German in deference to where the association is based and the competent registering court.
- 9.9 Members of the IBC may be represented by representatives with a written proxy. Representatives must show their proxy in order to vote at the General Meeting of Members. As an alternative to written proxies, for members who have an e-mail address it is

sufficient for the proxy appointment to be sent by e-mail provided it is sent by e-mail (from the last e-mail address notified in writing or by e-mail by the member to the association) to the person appointed as the proxy and in addition to the IBC at the e-mail address info@ibc-secretariat.org, and the person appointed as the proxy presents a print-out of the proxy authority for the purpose of casting the vote at the General Meeting of Members.

9.10 Fax transmissions are deemed to satisfy the written form requirement.

Article 10 President and Vice-President

10.1 The President and Vice-President of the IBC head the association and in particular have the task of chairing the Presiding Committee ~~and Board of Directors~~.

10.2 The President and Vice-President are elected by the General Meeting of Members in each case for a term to the end of the first General Meeting of Members to take place in the next even-number calendar year. The President and Vice-President remain in office after the end of their term of office until the election of the new President and/or Vice-President. The General Meeting of Members may resolve to curtail these terms of office and elect the President and Vice-President out of office. President and Vice-President may resign at any time with notice to this effect to the Board of Directors; any member of the Board of Directors is entitled to accept such notice.

10.3 The President and Vice-President act in an honorary capacity.

Article 11 The Presiding Committee

- 11.1 The Presiding Committee consists of the President and Vice-President and other members of the Presiding Committee.
- 11.2 The Presiding Committee members are elected by the General Meeting of Members. In the election, account must be taken of balance with regard to membership by region, industry and company size. The term of office is governed by Article 10.2 sentences 1, 3 and 4 accordingly.
- 11.3 The Presiding Committee has the following tasks and rights:
- 11.3.1 appointment and recall of **(Executive)** Members of the Board of Directors ~~(Executive Directors)~~,
- 11.3.2 advising the Board of Directors,
- 11.3.3 approval of the annual budget to be submitted by the Board of Directors for the following year,
- 11.3.4 the option of drawing up Terms of Reference for the Board of Directors, listing the transactions and measures requiring approval from the Presiding Committee,
- 11.3.5 establishment of working committees and election of members of the Presiding Committee as their Chairpersons,
- 11.3.6 the making of proposals for the main areas of activity of the IBC,

- 11.3.7 the promotion of the activities of the IBC through the establishment of contacts,
- 11.3.8 the making of proposals for the election of Presiding Committee members.
- 11.4. The Presiding Committee adopts resolutions in meetings convened by the President or Vice-President. The Presiding Committee should meet at least once a year.
 - 11.4.1 Meetings of the Presiding Committee are chaired by the President. They may also be chaired by the Vice-President or another person nominated by the Presiding Committee members in attendance, especially in the absence of the President.
 - 11.4.2 The Presiding Committee is quorate, if at least one half of its members, including the President or Vice-President, are present. Resolutions are taken by a majority of valid votes cast. The Presiding Committee may adopt resolutions in writing if no member objects to this form of resolution. Minutes must be taken of resolutions and these minutes must be signed by the Presiding Committee member designated to keep the minutes.
 - 11.4.3 Resolutions of the Presiding Committee are announced to the public by the President or Vice-President.
- 11.5 The members of the Presiding Committee act in an honorary capacity.

Article 12 The Board of Directors

- 12.1 The Board of Directors for the purposes of Section 26 German Civil Code consists of ~~the President and Vice President of the IBC~~ and at least three and no more than seven ~~further (Executive) Members of the Board of Directors (Executive Directors).~~ ~~The first members of the Board of Directors are appointed by the founders.~~
- 12.2 The IBC is always represented by two members of the Board of Directors jointly, whether before the courts or out of court.
- 12.3 The ~~members of the Board of Directors~~ are elected by the Presiding Committee. Art. 10.2 applies mutatis mutandis for the period of office. ~~The Board of Directors may elect one of its members as the Chairman of the Board of Directors. The Board of Directors may pass resolutions allocating specific tasks to individual members of the Board of Directors unless this contravenes the provisions of these Articles of Association or any Terms of Reference drawn up by the Presiding Committee under Article 11.3.4.~~
- 12.4 ~~All members of the Board of Directors, with the exception of the Chairman of the Board, where one is elected, make up the Executive Board. The Executive Board is responsible for the orderly management of the business and financial reporting. This is without prejudice to the legal collective responsibility of the Board of Directors and the authority of the Chairman of the Board of Directors under Article 12.3. In particular, the Executive Board has the following duties:~~

- 12.4.1 preparation of an annual budget,
- 12.4.2 preparation of the annual report and annual accounts,
- 12.4.3 submission of the documents pursuant to 12.4.2 with the audit report of the auditor or firm of auditors (auditor of annual accounts) to the President and Vice-President; **this should occur** no later than two months before the ordinary Annual General Meeting,
- 12.4.4 submission of the documents pursuant to 12.4.3 at the General Meeting of Members,
- 12.4.5 preparation of the main activities of the IBC, taking appropriate account of the resolutions of the General Meeting of Members and of the Presiding Committee as well as of the specifications of the President and Vice-President,
- 12.4.6 convention of the General Meeting of Members - this is without prejudice to the rights of the President and Vice-President pursuant to Article 9.4,
- 12.4.7 as appropriate, formation and supervision of the Secretariat.
- 12.5 The Board of Directors passes resolutions at meetings convened by the **Chairman, President, Vice-President** or two other members of the Board of Directors.
 - 12.5.1 The Board of Directors is quorate if at least three of its members are present; if the Board of Directors consists of four or fewer

members, it is sufficient for two members to be present. Resolutions are taken by the majority of valid votes cast. The Board of Directors may also adopt resolutions in writing if no member of the Board of Directors objects to this form of resolution. Minutes must be kept of the meetings and these minutes must be signed by the member of the Board of Directors designated to keep the minutes.

12.6 If requested by the ~~Chairman, President, Vice-President~~ or two other members of the Board of Directors, resolutions must be submitted to the General Meeting of Members for decision.

12.7 Members of the Board of Directors act in principle in an honorary capacity; the Presiding Committee may, however, determine appropriate remuneration for individual members of the Board of Directors insofar as this appears justified in view of the workload and if the financial situation permits; this is without prejudice to Article 13.2.5.

Article 13 The Secretariat

13.1 To handle current business and special assignments to be determined by the Board of Directors, the Board of Directors may form a Secretariat.

13.2 If the Secretariat is formed, the following provisions apply:

13.2.1 The Secretariat is headed by an Executive Secretary to be appointed by the Board of Directors. The appointment must be

approved by the President and Vice-President. The Executive Secretary may be a member of the Board of Directors.

13.2.2 Where necessary, further persons may be employed as members of the Secretariat.

13.2.3 The duties of the Secretariat shall be determined in detail by the Board of Directors.

13.2.4 To fulfil the duties of the Secretariat, the Board of Directors may authorize the Executive Secretary (unless the latter is already a member of the Board of Directors) to represent the IBC jointly with a member of the Board of Directors. The transactions or group of transactions for which the Board of Directors gives the Executive Secretary such a power of attorney must be described in writing as precisely as possible. No power of attorney may be issued for extraordinary transactions, transactions of material significance to the association or for agreements that bind the association for more than one year. The Executive Secretary may be granted power to bind the association on its own in relation to individual, clearly specified transactions where these do not fall within the previous sentence.

13.2.5 The Executive Secretary and the other members of the Secretariat may receive appropriate remuneration under relevant contracts of employment. The Board of Directors is responsible for concluding the contracts. Contracts which agree remuneration (including benefits in kind) exceeding the equivalent of US\$ 75,000 p.a., which have a term of over three years or which provide for

remuneration after the term of the contract has expired must be approved by the President and Vice-President.

- 13.2.6 The Board of Directors must oversee the activities of the Secretariat. In particular, the Board of Directors must require regular presentation of proper invoices and must inspect them.

Article 14 Dissolution of the IBC

- 14.1 The IBC may be dissolved by resolution of the General Meeting of Members. The resolution requires a majority of three-quarters of valid votes cast.
- 14.2 The assets of the dissolved IBC remaining after settlement of liabilities must be used for the tax-privileged purposes to be determined by the General Meeting of Members. Resolutions on the future use of the assets may only be implemented after approval has been received from the competent fiscal authorities.