



# **ARTICLES**

## **OF ASSOCIATION OF IELA**

International Exhibition Logistics Associates

## CHAPTER I

### Name, Domicile, Purpose and Definitions of the Boards

#### Article 1

##### **Name**

Under the name of "IELA International Exhibition Logistics Associates" herein after called IELA a co-operative society has been constituted in compliance with these articles and the provisions of Chapter XXIX of the Swiss Code of Obligations.

#### Article 2

##### **Domicile**

The registered office of the society is located in Grand Saconnex (Canton of Geneva)

#### Article 3

##### **Duration**

The society is constituted for an unlimited duration.

#### Article 4

##### **Purpose**

The purpose of the society is:

- a) to promote and protect the business interests of its members;
- b) to co-ordinate the business requirements of its members by using the organisation, the secretariat, the personnel and the equipment of the members;
- c) to transact any and all business directly or indirectly related to the above purpose.

#### Article 5

##### **Definitions**

a) To fulfil the requirement of Swiss Law, IELA will be managed by a Board of Directors (herein after referred to as "**The Legal Board**"). The Legal Board consists of at least three persons, a majority of whom must be employees of current IELA members. One member of The Legal Board must be Resident of Switzerland. Legal Board members are elected by the General Assembly (see Article 18) for a two year period and may offer themselves for re-election. The Legal Board organises itself and elects its own Chairperson

b) As far as Swiss Law permits, The Legal Board delegates all obligations and powers to The Board of Management (herein after referred to as "**The Board**"). The Board consists of at least three persons who must be employees or principals of current IELA members. Board members are elected by the General Assembly (see Article 18) for a two year period and may offer themselves for re-election. The Board organises itself, with the exception of the Chairperson who is elected by the General Assembly (see Article 18)

c) Elections of The Legal Board and The Board respectively will take place in alternate years to maintain stability of leadership. Elections for The Legal Board and The Board in their entirety may not occur during the same year to ensure continuity and stability of leadership of IELA.

d) In exceptional circumstances, elections for both bodies may be held in the same year.

## **CHAPTER II**

### **Acquisition and Loss of Membership**

#### **Article 6**      **Acquisition of Membership**

Applicants for membership must be companies whose purpose is to execute any or all of the following activities: to pack, load, transport, convey in transit, ship, store, deliver and unpack, by all means authorised by law, materials to be exhibited at trade fairs and events and render all ancillary services relating there to.

Each applicant must give proof of:

- a) an existing legal entity in his country and experience in the exhibition and event logistics industry
- b) the employment of qualified staff, one of whom must speak and write fluent English

The applicant must confirm in writing the complete acceptance of the Articles of Association, The By-Laws and rules of IE LA, pay a non returnable entrance fee, fixed by The Board, and purchase one share in IE LA to the value of CHF 2'000.00

The members of The Board rule by two-thirds majority of the votes cast.

The membership will be notified by The Board, through the Secretariat, of the acceptance of any new member. The decision of The Board becomes final after 30 calendar days from the date of such notification if no objections have been received. If objections are received the final decision on acceptance shall rest with The Board. The decision of The Board is final.

The applicant will be informed of the decision in writing with evidence of receipt.

Applicants whose application has been refused by The Board may re-apply at a later date. However such re-application shall not be earlier than eighteen months from the date of notice of the preceding refusal of application. In the case of refusal of an application neither the sponsors nor the applicant may request the reason for such refusal.

#### **Article 7**      **Loss of Membership**

Membership is lost by:

- a) resignation
- b) expulsion
- c) cease of business

#### **Article 8**      **Resignation**

Until dissolution has been resolved upon, any member has the right to retire from IE LA by sending The Board notification of his retirement in writing with evidence of receipt.

The retirement may be declared during the annual business year and shall take effect three months after receipt in writing with evidence of receipt by IE LA of the letter of retirement.

## **Article 9**

### **Expulsion**

The Board may at any time terminate the membership of a member in any of the under mentioned cases:

- a) Failing to meet the requirements of the Articles of Association, the rules and By-Laws of IELA
- b) Non-payment of dues or fees ordered by The Board after they have become due
- c) If there is a change in the financial and/or management control of a member company
- d) Conduct which in the opinion of The Board is contrary to the objects of IELA.

The decision to expel shall be determined by a majority of two-thirds of the votes cast.

The company concerned will be informed in writing with evidence of receipt of the decision of The Board. A member shall have the right to appeal against the notice of expulsion to the next Annual General Assembly. An appeal must be registered within thirty days of the posting of the letter of expulsion. The member making an appeal must set out in writing all facts which he wishes to bring to the attention of the General Assembly. A member shall have no rights of membership pending an appeal against expulsion.

Subject to the provisions of Article 11 the expulsion will have an immediate effect.

## **Article 10**

### **Right to the IELA property**

Subject to the provisions of Article 11, the loss of membership entails that all rights to the property of IELA are forfeited.

## **Article 11**

### **Refunding of IELA Shares**

Retiring or expelled members have the right either to request the refunding of their IELA share against presentation of the registered certificate, or give it up in favour of the reserve funds of IELA.

Members must declare themselves with respect to this matter within six months following retirement or expulsion.

The refund value of the IELA share is calculated on the basis of the assets of IELA, shown by the previous annual balance sheet, reserve funds not included. In no case can it exceed the nominal value of the share.

In all cases, IELA shall have the benefit of a period of three years from the date of retirement or expulsion of the member to effect the refund of IELA shares, if the retirement of the member causes a serious prejudice to IELA or jeopardises its existence.

## **CHAPTER III**

### **Organisation**

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

**Article 12** A General Assembly shall take place at the registered office of IE LA or in another place designated by The Legal Board.

**Article 13** The annual General Assembly takes place every year, within the six months following the closing of the business year.

**Article 14** An extraordinary General Assembly may take place at any time. It must be convened in particular for the following cases:

- a) Whenever the request for one is made by at least one tenth of the members or, if their number is lower than thirty, by at least three of them
- b) Where it appears from the last annual audit that half of the IE LA capital is no longer covered.
- c) At the request of The Legal Board

**Article 15** A General Assembly may be convened at the request of The Legal Board and if need be by the Auditors.

**Article 16** A General Assembly must be announced at least thirty days before the date fixed for its meeting. The notice of convocation shall be given in writing with evidence of receipt. The notice mentions the subjects of the agenda and in the event of a revision of the articles, the main content of the proposed modification.

No resolutions may be passed on matters not specified in the agenda, with the exception of a motion to call a further General Assembly.

**Article 17** If and so long as all members attend a General Assembly and if no objection is raised, they can pass resolutions although the provisions relating to convocation have not been observed.

**Article 18** A General Assembly has the following powers which may not be delegated:

- a) the adoption and alteration of the Articles of the Association
- b) the election of The Legal Board
- c) the election of internal and external auditors
- d) the election of The Board and its Chairperson as per Article 5
- e) the passing of annual returns and balance sheet and any resolutions concerning distribution of profits
- f) the discharge of directors of The Legal Board from their responsibilities
- g) resolutions on all matters which by law or the Articles are held to be within the competence of a General Assembly.

**Article 18.1** A General Assembly, at the request of The Legal Board, discharges The Board from their responsibilities

**Article 19** Representatives designated by the members and their staff have the right to attend a General Assembly. Each member has one vote. The member may be represented by another member who has his written proxy. No member can represent more than one proxy in addition to his own vote.

**Article 20** Where the law or articles do not provide to the contrary, resolutions are passed and elections made by an absolute majority of votes tendered at a General Assembly, and if a second ballot is necessary, by relative majority.

Abstentions and empty voting cards are counted as votes tendered. The absolute majority is defined as: 50% plus one vote on all votes tendered. Voting cards containing the name of a candidate more than once or containing names not eligible are void and will not be counted as votes tendered. This provision is valid for all resolutions and elections within IELA and its bodies.

A majority of three quarters of the votes tendered is required to dissolve or amalgamate IELA as well as to alter the Articles of the Association.

As a general rule, resolutions are passed by the show of hands and elections are voted by secret ballot.

If one tenth of the members present so request, the vote must be made by secret ballot. The President of the General Assembly or any Member of The Legal Board can request at its own discretion that the vote must be made by secret ballot on any or all matters on the agenda.

A General Assembly is presided over by the Chairperson of The Board, or another Member of The Board or any Legal Board Member or, if necessary, by any other IELA member.

The President of a General Assembly appoints the necessary vote counters.

The resolutions of a General Assembly as well as the elections which it makes are reported in minutes, taken by a representative of the IELA Secretariat and signed by the President of the General Assembly and the secretary.

## **B. The Legal Board**

**Article 21** The Legal Board meets each time the Chairperson convenes a meeting. He must do so as often as is required by the business.

In order for a resolution to be valid, it is necessary for the majority of the members of The Legal Board to be present. It passes resolutions and makes elections by absolute majority of the votes of the members present and, on the second ballot, by relative majority of the votes. In the event of equality of votes, the Chairperson has the casting vote.

The proceedings are reported in minutes signed by the Chairperson and the secretary.

**Article 22**

The Legal Board is bound to use all diligence in the conduct of IELA's objects to the best of their ability and to do everything that is in the interest of IELA and which is not incumbent upon another organ of IELA by virtue of the Law or the Articles. It is in particular bound:

- a) to convene a General Assembly, to prepare the matters to be placed before it and to carry out its resolutions
- b) to admit and expel members
- c) to keep the necessary books regularly as well as the register of members
- d) to keep its minutes and those of a General Assembly
- e) to decide upon the entrance fee, collect the entrance fees and the payments of IELA shares.
- f) to prepare the business accounts in compliance with the legal provisions

In accordance with the lawful duties of instructing and supervising, the Legal Board may at any time reclaim the competences delegated.

**Article 23**

The Legal Board represents IELA and appoints the persons authorised to sign on its behalf. At least one member of The Legal Board authorised to represent IELA must be a Swiss citizen and domiciled in Switzerland.

**C. The Board**

**Article 24**

In order for a Board Meeting to be convened and for decisions to be valid a quorum consisting of more than half of the current Board members must be present. If, in the opinion of The Board, it is necessary to resolve a critical and timely issue, The Board may convene via conference call, video conference or other electronic means under the quorum conditions mentioned above. Decisions made in such a manner must be shared with The Legal Board to ensure compliance with Swiss Law.

**Article 25**

The Board is in particular bound to:

- a) execute the decisions of a General Assembly and The Legal Board
- b) assist the Legal Board in making all necessary preparations for a General Assembly
- c) appoint and control the Executive Director and the secretariat of IELA. The Executive Director and the staff of the secretariat do not need to be employed by an IELA-member company.
- d) promote the aims and interests of IELA

for any specific tasks it may appoint committees or sub-committees.

**Article 26**

The proceedings are reported in the minutes signed by the President of the Meeting and the secretary. The decisions of The Board shall be subject to ratification by The Legal Board.

## **D. The Auditors and Controllers**

**Article 27** A General Assembly shall elect one external auditor for a period of one year. A General Assembly may also elect internal auditors.

Public bodies or juridical persons, such as fiduciary societies or auditors' associations must be appointed as auditors. The auditors have the attributions provided for by Swiss Law.

## **CHAPTER IV**

### **Member's Rights**

**Article 28** Any personal liability of the members is excluded. The property of IELA is exclusively liable.

**Article 29** All the members have the same rights and are under the same obligations unless the Law provides for an exception.

**Article 30** IELA has the right of retention on the shares of IELA or the payments made by the members who would not fulfil their financial obligations to IELA for any reason whatsoever.

## **CHAPTER V**

### **Financial Provisions**

**Article 31** The IELA capital is not limited. IELA shares shall be represented by registered certificates.

The resources needed by IELA are provided for by:

- a) the entrance fees
- b) IELA capital coming from the subscription of IELA shares
- c) operational revenues
- d) the net profits
- e) gifts in cash or in kind
- f) subsidies or loans

**Article 32** A member must make payment of entry fee and share capital within thirty days after date of acceptance. Where payment is not forthcoming after the first demand and within a month following a second demand, the member may be deprived of all rights. Notice to this effect will be served in writing with evidence of receipt. Loss of rights does not release the member from any liabilities entered into.

**Article 33** The annual business year begins on January 1<sup>st</sup> and is closed on December 31<sup>st</sup> of each year.

**Article 34** When the annual balance sheet shows net profits, they are to be used in the following manner:

- a) allocation of at least 5% of the net profits to the legal reserve fund, until the latter has reached 20% of IELA's capital.
- b) the balance shall be at the disposal of a General Assembly, which may decide to open additional reserve funds or distribute the remaining net profits to the members. In any case the binding provisions of law must be complied with.

**Article 35** When the legal reserve fund does not exceed 50% of IELA's capital, it can be used only to cover losses or measures tending to allow the object of IELA to be achieved in times of crisis.

## **CHAPTER VI**

### **Dissolution and Liquidation**

**Article 36** In the event of dissolution, the liquidation is handled by The Legal Board unless a General Assembly appoints other liquidators. At least one of the liquidators must be domiciled in Switzerland and have the power to represent IELA.

**Article 37** The assets of IELA are used, after payment of all debts, for the refund of IELA shares at their face value. The allocation of a possible surplus falls under the jurisdiction of a General Assembly. A General Assembly may distribute it among the members of IELA in proportion to their individual contributions.

The provisions of article 865 of the Swiss Code of Obligations must be observed.

**Article 38** The publications of IELA are validly made in the Official Swiss Commerce Bulletin (Feuille Officielle Suisse de Commerce).

The notice to members is made by registered letter sent to the address on the ad hoc register kept by IELA.

**Article 39** All disputes which may arise during the life of the company or its liquidation either between members and IELA or its directors and auditors or between the members themselves, because of the affairs of IELA, shall be submitted to the Court of the Canton of Geneva.

## **CHAPTER VII**

### **Transitional provisions**

**Article 40** All decisions taken under the hitherto valid Articles remain in effect.

## **CHAPTER VIII**

### **Final Provisions**

**Article 41** These Articles approved by The General Assembly on June 25, 2010, in Paris enter into force at this same date and replace all earlier editions.