

EUROPEAN COCOA ASSOCIATION
ASSOCIATION EUROPEENNE DU CACAO AISBL
N° d'Entreprise : BE 472920332

Original text of the bylaws officially modified for the last time on 18/05/2022

ARTICLES OF INCORPORATION: current

I. DENOMINATION, STATUTORY OFFICE, DURATION, PURPOSE

Article 1. Denomination

There is hereby established an International Association with scientific purposes regulated by the Belgian law dated 23 March 2019, under the name "Association européenne du Cacao" (in English, "European Cocoa Association"), in abbreviated form "AEC" (in English "ECA").

Article 2. Statutory Office¹

The statutory office of the Association is located in the Brussels-Capital Region.

It may be transferred to any other place in Belgium by a resolution of the Board of Directors to be published within one month in the special annexes to the Belgian State Gazette.

Article 3. Duration

The Association is formed for an unlimited duration.

Article 4. Purpose

The Association is a non-profit organisation and does not provide any direct financial benefit to its Members.

The purpose of the Association is to study, to research and to implement adequate solutions to any matter affecting the industry, the trading and the logistics of the cocoa sector, in the broadest sense, including but no limited to, in the scientific, technical, documentary, environmental and institutional domains, as well as to promote a close co-operation at European level between its Members regarding those matters.

In order to implement its purpose, the Association seeks in particular to:

- a) Facilitate efficient communication between, on one hand, the industry, the trading and the logistics of the cocoa sector and, on the other hand, the scientific community, the statutory and governing authorities of the European Union, the Council of Europe and other European organisations, and also with local associations acting both on a national level and with the cocoa producing countries worldwide;
- b) Facilitate and exchange the scientific research, information and services intended to improve the quality of the production, transport and delivery of cocoa and cocoa products, and generally all the services related to the institutional, regulatory and environmental aspects of the cocoa sector;

¹ Publication in the annexes of the Belgian State Gazette on 04/07/2014.

- c) Keep its Members informed about legislation and regulations, actual and projected, affecting the cocoa market, at national, European, and international levels;
- d) Cooperate with similar national or international associations, in order to facilitate the achievement of the aforesaid purposes;
- e) Commercial activities: In conformity with the new Belgian Companies and Associations Code (Article 1:2), the Association develops commercial activities with a disinterested purpose. These commercial activities include the publication of studies and documents, and the organisation of events linked to the Association's activities, these include but are not limited to Forums, conferences, educational seminars or webinars. The Association will not distribute or provide directly or indirectly any patrimonial benefit to its Members or Directors.

Article 5. Internal Regulations

The Board of Directors may create and adopt Internal Regulations, as defined below in Article 30 of the present Articles of incorporation.

II. MEMBERSHIP

Article 6. Membership Status

There are two types of membership, Effective membership and Associate membership. Effective Members pay a full contribution, are admitted to every organ of the Association and have voting rights. Associate Members pay a reduced contribution and have no voting rights in any of the organs to which they are admitted.

Members can be:

- Persons residing in Belgium or abroad;
- Companies or legal entities duly incorporated and organized under the laws and the practice of their home country.

Effective Members are classified into three categories, being the:

- "Cocoa processing industry": manufacturers of intermediate cocoa products (cocoa powder, cocoa butter, cocoa liquor), manufacturers of chocolate and the cocoa waste converting industry;
- "Cocoa trader": cocoa beans and/or cocoa products importing and trading companies, agents and brokerage companies that facilitate the trading of cocoa beans and/or cocoa products and/or cocoa waste;
- "Cocoa logistics industry": cocoa beans and/or cocoa products controlling and warehousing companies, the cocoa beans and/or cocoa products transporting companies.

Associate Members

- Service sector companies, as well as associations and individuals whose activities are critical to cocoa trade and connected with the cocoa chain.

As a general rule, a company applying to become a Member of the ECA needs to have significant activities and corporate seat in Europe.

For the "Cocoa processing industry":

- The applicant company needs to develop significant B2B cocoa activity, meaning that a company grinding for only its own B2C use will not meet the ECA membership criteria.
- As regards the industrial production of chocolate, only manufacturers of chocolate in B2B will be eligible to become a Member of the ECA.

The Internal Regulations shall establish to which supplementary requirements the Effective and Associate Members shall have to answer.

Membership is personal and is not transmittable or transferable and can not be obtained by succession or inheritance.

Article 7. Limited liability of the Members

The liability of the Members shall be limited to the amount of their annual contribution. There shall exist no joint and several liability between the Members.

Article 8. Demand of Admission

Any request for admission shall be transmitted, in writing, to the President of the Board of Directors or directly to the Director General and shall contain the commitment to subscribe to the present Articles and to the Internal Regulations.

The request for admission shall be approved by a decision taken by a three-fourths majority of the Directors present or represented.

The Board of Directors shall adopt its decision after verification of the fulfilment by the candidate of the requirements fixed in the present Articles of incorporation and in the Internal Regulations.

Article 9. Loss of Membership Status

Membership ends:

- a) On the death of the Member, if it is a physical person; or liquidation if it is a legal person;
- b) On the loss of the legal personality of the Member;
- c) On the resignation of the Member;
- d) On the exclusion of the Member by the Association.

Each Member can resign from the Association by sending a registered notice to the President of the Board of Directors or directly to the Director General. The resignation can only take place at the end of the financial year, in writing and with a period of notice of at least four months. However, the immediate resignation is possible within one month after the communication to a Member of the decision to transform the Association into a legal entity taking another form or in the case of a merger. If the Member did not resign in due time, its annual contribution shall be paid until the end of the next financial year.

Exclusion of a Member by the Association can be decided with reference to a Member acting contrarily to the statutes, the Internal Regulations or the decisions of the Association. It can for example be decided in the case of non-payment of the annual contribution or when the Member takes actions which are to the detriment of the Association. Exclusion is decided by the General Assembly which informs the Member as soon as possible of the decision and the rationale behind it. The Member concerned

has the power to appeal the decision by the General Assembly, within one month of its notification. During the period of appeal, the Member is suspended. The General Assembly can only decide on the exclusion of the Member if the majority of at least two thirds of the votes is achieved, the excluded Member has no voting right.

The General Assembly, on the basis of a proposal from the Board of Directors, can suspend a Member acting contrarily to the statutes, the Internal Regulations, or the decisions of the Association, for a period to be determined by the Board with a maximum period of six months. The Member can also be suspended if he is facing a dissolution, liquidation or bankruptcy procedure. In these cases, the General Assembly can also decide to exclude the Member. An appeal against the decision to suspend is possible under the same conditions described for the exclusion.

Article 10. Financial Participation

The income of the Association consists of the annual fees paid by the Members and of donations, inheritances, legacies, and any other incomes. The Internal Regulations may provide for other sources of income, linked to special services which may be requested by the Members. Similarly, in conformity with the new the new Code of Companies and Associations, commercial activities are allowed to be developed by the Association.

To cover the general costs and expenses of the Association, each Member is obliged to pay an annual contribution determined by the General Assembly on the proposal submitted by the Board of Directors. Effective Members pay a full contribution and Associate Members pay a reduced contribution.

III. GENERAL ASSEMBLY

Article 11. Annual Members' Meetings

The General Assembly of the Members will meet (physically or virtually) twice a year, in the spring and autumn, at the registered office of the Association or at any other place and hours indicated in the invitation electronic mail.

The spring meeting is held during the first semester of the year. The Members at this meeting hear the management report, discuss and approve the annual accounts, release the Directors, proceed to the re-election or replacement of the retiring or retired Directors and make all decisions with respect to other items on the agenda.

The autumn meeting is held during the second semester of the year. The Members at this meeting discuss and approve the budget of the Association for the next year.

Article 12. Special Members' meetings

Special Members' meetings can be convened at any time in order to enable the Members to discuss upon any issue within their powers.

A special Members' meeting may be called by the President of the Board or by the Director General, at the request of at least a third of the Directors of the Board or of two Members, each time the interests of the Association require such meeting.

Article 13. Convocation

The Board of Directors convokes the General Assembly, by sending invitations containing the agenda by electronic mail, at least eight days prior to the meeting, addressed to each registered Member.

Members are presumed to have received the notices if they are present or represented to the Assembly.

Article 14. Powers

The General Assembly forms the sovereign power of the Association for the accomplishment of the Association's purposes.

Powers of the General Assembly include, among others:

- a) Approval of the budget and the accounts of the Association;
- b) Appointment and the dismissal of Directors;
- c) Decisions on amending Statutes;
- d) Exclusion of Members;
- e) Decisions on the dissolution of the Association;
- f) Approval of the Internal Regulations etc.

Article 15. Vote

The General Assembly consists of all the Members of the Association, each Effective Member having one vote. The Associate Members have no voting power.

Each Member may be represented by another Member who holds a special proxy. However, each Member may not hold more than two proxies.

Article 16. Deliberation Decisions

The General Assembly meets under the auspices of the President of the Board of Directors or, in his absence, the Vice-President, the Treasurer, or the longest serving Director present.

The General Assembly takes resolutions considered valid, if at least half of the Effective Members are present or represented.

Except if otherwise provided for by the present Articles of incorporation or bylaw, resolutions of the General Assembly are adopted by a simple majority vote of the Effective Members, present or represented and are transmitted to all the Members.

Article 17. Minutes

The resolutions of the General Assembly are filed in a special registry, in the form of minutes. The registry of the minutes will be kept at the registered office of the Association and left at the disposal of all Directors and Members.

IV. BOARD OF DIRECTORS

Article 18. Composition of the Board of Directors²

The Association is managed by a Board of Directors composed by no less than nine and no more than fourteen Members, individuals or moral persons, appointed for a 2 years term by the General Assembly. Their mandates are revocable by the General Assembly. A duly mandated individual represents appointed moral persons. Each Director's mandate may be renewed.

- A minimum of three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa processing industry**";
- A minimum of three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa trade**" and;
- A minimum of three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa logistics industry**".

Upon a proposal of the Board of Directors, the General Assembly may decide on:

- ✓ The total number of Board seats
- ✓ The number of Directors per category

Whenever one or more vacancies on the Board of Directors occur, the remaining Directors can temporarily fill these vacancies. Any Board seat vacancy must be announced to all Effective Members by electronic mail. The next General Assembly will appoint the new Directors.

In line with Article 14, the President has the power to submit a proposal to the General Assembly asking to dismiss a Director who has not attended two Board meetings in one year.

Directors may be dismissed by the General Assembly on the basis of a resolution adopted at the majority of the Members, present or represented.

The loss of the quality of Member of the Association, for any reason, will imply the immediate loss of quality of Member of the Board of Directors.

Directors may be remunerated subject to the General Assembly decision.

The Board of Directors may invite other persons who are not Members of the Board, to participate in its meetings. Those persons shall have the quality of observers and shall only have a consulting vote.

Article 19. Demand for admission for new Directors

As a general rule, if an Effective Member wishes to apply to become a Director, the company he/she represents must have been a Member of the Association for at least one year.

² Amended with the approval of the General Assembly of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.

As mentioned in Article 14, the General Assembly has the power to appoint or dismiss Directors. However, the General Assembly will exercise its sovereign power to do so taking into account a proposal expressing the decision taken by the Board of Directors.

Article 20. Executive Committee³

The Board of Directors appoints a President, a vice-President and a Treasurer, which constitute the Executive Committee.

The objectives of the Executive Committee are to:

- ✓ Assume a rapid and efficient management and coordination of the activities and decisions of the Association
- ✓ Implement the missions conferred by the Board of Directors
- ✓ Take all the initiatives in accordance with the interests of the Association concerning its daily management

The Executive Committee Members are renewed on the basis of the following roll:

- For the first period of two years, the President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa trade**", the vice-President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa processing industry**" and the Treasurer shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa logistics industry**";
- For the second period of two years, the President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa logistics industry**", the vice-President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa processing industry**" and the Treasurer shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa trade**";
- For the third period of two years, the President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa processing industry**", the vice-President shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa trade**" and the Treasurer shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa logistics industry**";

At the expiry of the above procedure, the same rotation shall apply again except unforeseen circumstances.

The Director General shall be appointed by the Directors by a simple majority of the votes of the Directors present or represented. The Board of Directors shall specify his/her mission. The Director General shall be present at any meeting of the Board of Directors, Executive Committee, and of the General Assembly, but in an advisory capacity only.

The Executive Committee shall assume its missions under the control and the responsibility of the Board of Directors.

Members of the Executive Committee are appointed for a term of two years. Their mandate, revocable by the Board of Directors, may be renewed.

³ Amended with the approval of the General Assembly of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.

The loss of the quality of Member of the Association, for any reason, will imply the immediate loss of quality of Member of the Executive Committee.

If the President of the Executive Committee loses his quality of Member, he shall be immediately replaced in his functions by the Vice-President. The latter will temporarily assume the functions of President until the Board of Directors appoints a new President.

If necessary, the Board of Directors can restrict the powers of the Executive Committee.

The Executive Committee shall meet each time it is requested by the interests of the Association.

The deliberations and recommendations of the Executive Committee are succinctly reported in the minutes of the meetings signed by the President. The minutes of the meetings are filed in a special registry, kept in the statutory office of the Association and left at the disposal of all Members wishing to consult them.

Article 21. Powers of the Board of Directors

The Board of Directors is entrusted with all powers of management and administration except for those reserved to the General Assembly. It may delegate the day-to-day management either to its President, to one Director or to any third party. It may, *inter alia*, under its own liability, give any specific powers to one or more persons for the duration specified in the powers of attorney.

Article 22. Meetings

The Board of Directors meets at least twice a year, in order to prepare the two annual General Assemblies, and also each time that the interest of the Association requires so and when a meeting is requested by at least a third of the Directors or upon special convocation of the President.

A Director may be represented by another Director who however may not represent more than two Directors.

Article 23. Decisions

The Board of Directors' resolutions are valid if at least the majority of its Members is present or represented and if the resolution is adopted by a simple majority vote. In case of an equality of votes, the President has a casting vote.

Article 24. Representation of the Association⁴

As far as the general powers of representation are concerned, the Association is validly bound by the signature of the two Directors acting jointly or by special attorneys-in-fact, acting within the limits of their powers.

As far as the daily management is concerned, the Association is validly bound by the signature of two Members of the Executive Committee acting jointly or by the President of the Board of Directors. The Board of Directors can grant special powers to the Director General, and/or to one or more Members of the Executive Committee, or to any other person.

⁴ Amended with the approval of the General Assembly of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.

Any legal dispute, arising either as Plaintiff or as Defendant shall be handled by the Board of Directors represented by its President or by a Director elected by the President in this respect.

Article 25. Minutes

The resolutions of the Board of Directors are inserted in a special registry, under the form of minutes and are kept at the registered office of the Association and left at the disposal of all Directors during the period of their respective mandates.

V. BUDGETS, ACCOUNTS, CONTRIBUTION

Article 26. Budgets and Accounts

The fiscal year begins on January 1st of each year and ends on the following December 31st. The first financial year will end on December 31, 2001.

The Board of Directors submits to the General Assembly the accounts of the past financial year closed as on December 31 for approval on the occasion of its spring meeting.

The Board of Directors submits to the General Assembly the budget of the next financial year for approval on the occasion of its autumn meeting.

Article 27. Contribution

The General Assembly may decide to create a reserve fund and may fix its amount and the contribution of each Member.

VI. AMENDMENT TO THE STATUTES – DISSOLUTION

Article 28. Amendment to the Statutes

Without prejudice to Article 10:6 of the Belgian Law of 23 March 2019, any proposal regarding either the modification or the dissolution of the Association must be made by the Board of Directors or by a majority of two thirds of Members present.

The Board of Directors must inform the Members of the Association at least three months in advance of the date of the General Assembly which will review the proposal.

A resolution may be agreed by the General Assembly when a quorum of at least two-thirds of the Members are present or represented. No resolution shall be agreed without the vote of two-thirds of the Members.

However, if the quorum is not met, a new General Assembly shall be convoked under the same conditions as mentioned here-above in paragraph 2 and the latter shall definitively and validly agree upon the proposal, regardless of the number of the Members, present or represented.

Article 29. Dissolution and liquidation

The General Assembly may validly pronounce the dissolution of the Association only if (i) at least two-thirds of the Effective Members are present or represented and (ii) the decision obtains a majority of at least two-thirds of the votes cast by the Effective Members present or represented. Blank votes, invalid votes and abstentions will not be taken into account.

If at least two-thirds of the Effective Members are not present or represented at the first meeting, a second meeting of the General Assembly may be arranged, at least thirty calendar days after the first meeting of the General Assembly. The second meeting of the General Assembly shall validly deliberate, irrespective of the number of Effective Members present or represented, in accordance with the majority of votes stipulated in the first paragraph of this Article, and decide on the dissolution.

Any proposal to dissolve the Association shall be explicitly mentioned in the agenda included or attached to the notice addressed to the Members and to the Directors.

Upon the dissolution and liquidation of the Association, the General Assembly shall decide on:

- The appointment of one or more liquidator(s),
- The decision-making process of the liquidators if more than one liquidator is appointed,
- The scope of his/her/their powers.

In the absence of the appointment of one or more liquidator(s), all Directors shall be considered to be jointly in charge of the liquidation of the Association.

The General Assembly shall also decide on the allocation of the net assets of the Association, it being understood, however, that the net assets of the Association may only be used for disinterested purposes.

VII. INTERNAL REGULATIONS

Article 30

The Board of Directors may create and adopt Internal Regulations in which the respective rights and obligations of the Members as well as the organization of the Association will be settled in a more detailed manner. These Internal Regulations shall have to be approved by the General Assembly.

VIII. MISCELLANEOUS

Article 31. Versions

The present Articles have been written in two versions: French and English. The official version is the French one. Should a dispute arise between the Members or a difference between the two versions, the English version would prevail.