

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

**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 October 25, 1919, as amended by the law of December 6, 1954, under the name "Association européenne du Cacao" (in English, "European Cocoa Association"), in abbreviated form "AEC" (in English "ECA").

Article 2. Statutory Office<sup>1</sup>

The statutory office of the association is located at 1040 Brussels, Avenue des Gaulois 3, box 6.

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 beneficial 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 on an 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 international organisations, and also with local associations acting as well on a national level as 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

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

- Cocoa products, and generally all the services related to the institutional, regulatory and environmental aspects of the cocoa sector;
- c) Inform and keep the Members informed about legislation and regulations, actual and projected, affecting the Cocoa market, at European, national and international levels;
  - d) Cooperate with similar national or international associations, in order to facilitate the achievement of the aforesaid purposes.

#### Article 5. Internal Regulations

The Board of Directors may create and adopt Internal Regulations, as defined below in Article 28 of the present Articles of incorporation.

## **II. MEMBERSHIP**

#### Article 6. Status as Membership

There are two types of membership, effective membership and associate membership. Effective Members pay a full contribution and are admitted to every organ of the Association and have voting rights. Associate Members pay a reduced contribution and have no voting rights on 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.

Members are classified into three categories, being the:

- "Cocoa bean 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.

The Internal Regulations shall establish to which supplementary requirements the effective and associate Members shall have to answer.

Membership is personal and is not transmissible 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 Chairman of the Board of Directors 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 unanimous decision of the Board of Directors.

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 Chairman of the Board of Directors. 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 only 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. The General Assembly can approve an appeal against the decision on the basis of the conditions described for the exclusion to suspend.

#### 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 from the Members.

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 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 letter.

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 Chairman of the Board or by the General Secretary, 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 meetings, by sending invitation letters containing the agenda by registered letter, 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) Admittance and exclusion of Members;
- e) Decisions on the dissolution of the Association;
- f) Approval of the internal rules; etc.

#### Article 15. Participation

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 Chairman of the Board of Directors or, in his absence, of 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 by law, 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 signed by the Chairman of the Assembly, the General Secretary and any Member who requests to do so.

The Registry of the minutes will be kept at the registered office of the Association and left at the disposal of all Members.

### **IV. BOARD OF DIRECTORS**

#### Article 18. Composition<sup>2</sup>

The Association is managed by a Board of Directors composed by no less than four and no more than fourteen members, individuals or moral persons, appointed for a 6 years term maximum by the General Assembly. Their mandates are revocable by the General Assembly. A duly mandated individual represents appointed moral persons. Director's mandates may be renewed.

- Three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa bean processing industry**";
- Three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa trade**" and;
- Three Directors must be appointed amongst the candidates submitted by the Members forming the category "**Cocoa logistics industry**".

Whenever one or more vacancies on the Board of Directors occur, the remaining Directors can temporarily fill these vacancies. The next general Members' meeting will appoint the new Directors.

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

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.

<sup>2</sup> Amended with the approval of the General Members' meeting of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.

## Article 19. Committee<sup>3</sup>

### A. Committee

The Board of Directors appoints a Chairman, a vice-Chairman, a Treasurer and a General Secretary, which constitute the Committee of the Board.

The Committee members are renewed on the basis of the following roll:

- for the first period of two years, the Chairman shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa trade**", the vice-Chairman shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa bean 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 Chairman shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa logistics industry**", the vice-Chairman shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa bean 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 Chairman shall be chosen amongst the Directors presented by the Members forming the category "**Cocoa bean processing industry**", the vice-Chairman 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 the above procedure, the same rotation shall apply again.

The General Secretary 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 mission. The General Secretary shall be present at any meeting of the Board of Directors and of the Members' Assembly, but in an advisory capacity only.

### B. Executive Committee:

The Board of Directors shall create an Executive Committee.

The Executive Committee has for objectives to assume a rapid and efficient management and coordination of the activities and decisions of the Association, and to implement the missions conferred by the Board of Directors.

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

The Executive Committee shall be automatically composed by the members of the Committee of the Board. Besides the members of the Committee, the Board of Directors may decide to add to the Executive Committee one or more members chosen amongst or outwards the members of the Board of Directors. The members of the Executive Committee chosen outwards the members of the Board of Directors shall only have an advisory capacity.

<sup>3</sup> Amended with the approval of the General Members' meeting of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.

The eligible candidate shall be invited by ordinary mail, or in compliance with the formalities applicable to its status, by the Board of Directors to become a member of the Executive Committee.

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

The Executive Committee of the Association shall be composed of:

- a Chairman,
- a Vice-Chairman,
- a member who will assume the role of Secretary of the Executive Committee

The General Secretary shall be present at all meetings of the Executive Committee but in an advisory capacity only.

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

The Board of Directors shall confer the daily management of the Association to the Executive Committee and shall grant to the Executive Committee the powers to assume its tasks. The Executive Committee may notably:

- Take decisions concerning the daily management of the Association;
- Reach the objectives decided by the Board of Directors;
- Take all initiatives in accordance with the interests of the Association concerning the daily management of the Association.

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 attending members. 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 20. Powers

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 Chairman, 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 21. Meetings

The Board of Directors meets at least twice a year, in order to prepare the two annual Members' General Assembly, 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 Chairman.

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

#### Article 22. 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 Chairman has a casting vote.

#### Article 23. Representation of the Association<sup>4</sup>

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 Chairman of the Board of Directors, unless special powers granted by the Board of Directors to one or more members of the Executive Committee, or to any other person, such as the Secretary General.

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

#### Article 24. 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.

### **V. BUDGETS, ACCOUNTS, CONTRIBUTION**

#### Article 25. Budgets and Accounts

The fiscal year begins on January 1<sup>st</sup> of each year and ends on the following December 31<sup>st</sup>. 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 summer 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 26. Contribution

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

<sup>4</sup> Amended with the approval of the General Members' meeting of the 9th of April 2003 & Publication in the Belgian State Gazette on 25/01/2005.



## **VI. AMENDMENT TO THE STATUTES – DISSOLUTION**

### Article 27

Without prejudice to Article 5 of the law of October 25, 1919, 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 convene 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 on paragraph 2 and the latter shall definitively and validly agree upon the proposal, regardless of the number of the Members, whether present or represented.

The amendments of the statutes will enter into force after approval by Royal Decree and after the fulfilment of the conditions provided in article 3 of the Law of October 25, 1919.

The General Assembly shall determine the dissolution and liquidation procedures of the Association.

## **VII. INTERNAL REGULATIONS**

### Article 28

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 29. Governing Law

Should a problem not be foreseen in the present Articles, the regulations of the Law of October 25, 1919 shall prevail.

### Article 30. 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.

## **Annex 1: Note Describing the Activities and Purposes of the Association**

### **Purpose of the Association**

The purpose of the association is to study, research and implement adequate solutions to any matter affecting the industry, the trading and the logistics of the cocoa sector, in the broadest sense, including but not limited to, the scientific, technical, documentary, environmental and institutional domains.

The association also aims at promoting close co-operation on a European and international level between its members, as well as its members and the cocoa producing countries regarding all issues affecting the cocoa sector.

### **Activities of the Association**

For this purpose, the Association will establish efficient communication between the industry, the trading companies and the logistics companies of the cocoa sector and the scientific community, the European Union institutions, the government of the EU Member States, international organisations such as the International Cocoa Organisation, the Council of Europe, as well as with the cocoa producing countries worldwide and local associations acting on a national level.

The Association will favour and exchange scientific research, information and services intended to improve the quality of the production, the transport and the delivery of cocoa and cocoa products.

The Association will also exchange research and information regarding institutional, regulatory and environmental aspects affecting the cocoa sector. It will in particular inform and keep the Members informed of legislation, regulations, actual and planned, affecting the cocoa sector at European, national and international level.

Furthermore, the Association will cooperate with similar national or international associations, in order to favour the achievement of the purposes set out above.