

ARTICLES OF ASSOCIATION

PREAMBLE

The European national coffee associations and their members, representing the various interests of the European coffee sector, recognise the importance of having a common European coffee organisation for the reason that Europe forms the main group of consuming countries in the world. They recognise furthermore that united action, will facilitate the development of an environment in which our sector can meet the needs of consumers and society, while competing effectively for sustainable growth. Together we can strengthen in a decisive manner the position of the coffee trade and industry (such as: trading/brokering of green and processed coffee, roasted and soluble coffee manufacturing, coffee decaffeination, warehouse keepers, etc.) in Europe.

1. Name and seat

- 1.1. The International Non-Profit Association bears the name: European Coffee Federation, abbreviated "ECF".
- 1.2. It has its seat in 1040 Etterbeek (Brussels), Avenue des Nerviens 9-31.

2. Objectives and activities

- 2.1. The objectives of ECF, in compliance with competition law and with no profit purposes, shall be the representation of the common interests of its Members on all issues relevant to the European coffee sector from the political, economic, communication, technical, legal and scientific points of view, and in particular:
 - a) to raise the profile of the European coffee sector;
 - b) to identify issues of common interest to the Members in the economic, legislative and technological areas and to take appropriate action;
 - c) to co-operate with relevant organisations established in the context of the European Union and with any other international organisation;
 - d) to liaise with relevant organisations in coffee producing and consuming countries;
 - e) to liaise with competent scientific bodies.
- 2.2. To that effect, ECF shall have the right to develop with the agreement of its Members, all activities related to its objectives, and in particular:
 - a) to identify, explore, compare and examine policy issues faced by the European countries in respect of the coffee industry;
 - b) to identify, explore, compare and examine how European Union policies impact on the European coffee market and interact with local policies in the field of the coffee industry;
 - c) to organize and arrange congresses, seminars, workshops and other educational programs and activities for Members of ECF and/or third parties;



- d) to perform pre-competitive qualitative and quantitative research and studies and conduct technical analyses for Members of ECF and/or third parties;
- e) to disseminate non-competitive information and issue publications for Members of ECF and/or third parties;
- f) to advise on the application of legal regulations and any proposed changes thereto;
- g) to arrange contacts with Institutions of the European Union and any other international organisation; and
- h) to set up any committee or expert group as may be needed or useful to achieve ECFs objectives.

In addition, ECF may support and have interest in any other activity that is similar or connected to those defined above.

3. Members

3.1. The ECF shall comprise:

- a) Association Members. National associations representative of the coffee trade and industry in each of the EU Member States as well as national associations from non-EU European countries (e.g. Switzerland, UK, Norway);
- b) Company Members. Companies actively engaged in the coffee trade & industry, with significant coffee operations in each of the EU member states as well as national associations from non-EU European countries (e.g. Switzerland, UK, Norway).

3.2. Company Members shall be a member of their national coffee association; this condition may be waived by the Council, for in-stance if no national coffee association exists in the country concerned.

3.3. The Council shall determine the criteria for membership of Association and Company Members. These shall include, but shall not be limited to, national coffee consumption, a minimum green coffee usage, a minimum coffee related financial turnover and a minimum contribution.

The establishment of the contribution is laid down in the By-laws.

Members may be divided into categories for the system of the calculation of the contribution.

3.4. The Council shall decide on application for Membership.

3.5. The admission of Members shall be made on the condition that they make a commitment to conform to these Articles of Association as well as to the By-laws of the ECF and to comply with the financial obligations associated with their membership.

3.6. Associate Members:

- a) The Council may decide to admit as Associate Members associations which do not fulfil the conditions for membership as specified in Article 3.1.
- b) Associate Members shall have the right to attend meetings, but will have no voting rights.
- c) The terms and conditions applicable to the admission of Associate Members and their further rights and obligations can be laid down in the By-laws.



- 3.7. The Association shall keep a register stating the names and addresses of the Members. Members shall inform the Secretariat of the names of their participants in meetings.
- 3.8. The Members will not be liable for the commitments of the Association.
- 3.9. Membership is terminated:
- a) By resignation; resignation requires a written notification of the Member prior to thirty June and will take effect the next first of January. Contribution for the current year remains due.
 - b) If the Member is no longer an association or company meeting the conditions of article 3.1 and 3.2. Contribution for the current year remains due.
 - c) Through expulsion by the Council; an expulsion can only be pronounced if a Member acts contrary to the Articles of Association or By-laws or acts in a detrimental manner to the interests of ECF.
- 3.10. The Executive Committee is entitled to suspend a Member for a maximum period of six months. The Member can appeal against this suspension to the Council. Members in arrears with their payment obligations may be suspended.

4. Council

- 4.1. The highest authority of the Association shall be the Council, which shall consist of all Members of the Association.
- 4.2. The powers of the Council include, but are not limited to:
- a) Determining the main priorities, policies and strategies of the Association;
 - b) Deciding on the budget of the Association;
 - c) Appointing and dismissing President, Vice-Presidents and members of the Executive Committee;
 - d) Receiving and ratifying proposals from the Executive Committee;
 - e) Setting up Committees or Working Groups as necessary;
 - f) Approving and amending By-laws;
 - g) Deciding on revision of the Articles of Association.
- 4.3. The Council shall have regular sessions when it so decides, but at least once a year. One of the regular meetings must approve the financial report of the past year and the budget for the next year, decide on appointments and receive reports of the Committees and approve their future activities. Regular sessions shall be convened no less than two months in advance by letter, e-mail or any other communication in writing.
- 4.4. The Council may hold special sessions if it so decides. Special sessions may also be held at the request of the Executive Committee or by at least twenty-five per cent (25%) of the Members. Special sessions shall be convened no less than twenty-eight (28) days in advance or fourteen (14) days in advance in case of extreme urgency.
- 4.5. The Council is validly constituted if at least fifty per cent (50 %) of the Members are present or represented. If on the opening of a Council session there is no quorum, the Chairman shall postpone the opening of the session for up to one hour. If the fifty per cent (50 %) requirement



is still not met at the new time set, the Council is validly constituted if at least twenty-five per cent (25 %) of the Members are present or represented. If at the new time set less than twenty-five per cent (25 %) of the Members are present or represented, the Chairman may convene the Council on a new date and for this meeting no quorum will be required.

- 4.6. A Member may designate another Member to be its representative in the Council. Such designation shall be confirmed in writing to the Secretariat. A Member may represent no more than three other Members.
- 4.7. The Members shall together hold one thousand (1,000) votes. Votes shall be divided among the Members in proportion to their contribution, rounded off in full figures.
- 4.8. The Council strives to reach decisions by consensus. If this is not feasible, decisions can be taken by majority vote. A decision is adopted if Members representing at least seventy-five per cent (75 %) of the votes and eighty-five per cent (85 %) of the number of Members vote in favour, counting the votes and number of Members present or represented. For decisions to dissolve the Associations or to amend the Articles of Association the majority requirement is at least seventy-five per cent (75 %) of all votes and eighty-five per cent (85 %) of the total number of Members.
- 4.9. In voting procedures, the votes of suspended Members will not be taken into account. Suspended Members shall lose their votes during the suspension.
- 4.10. Voting shall be by show of hands, unless one or more of the Members present requests a ballot.
- 4.11. Decisions may be adopted by the Members in written procedure, provided the majority of Members does not object. Objection entitles the Executive Committee to convene a special Council on this issue within two weeks from receiving the protest.
- 4.12. The decisions of the Council are recorded by the Secretary in the register of the minutes. All Members shall be informed of the decisions taken by the Council in writing within one month after the meeting of the Council.

5. Executive Committee

- 5.1. The Executive Committee is responsible for the day-to-day activities of the Association. It shall operate within the priorities, policies and strategies set by the Council.
- 5.2. The Executive Committee:
 - a) Implements the decisions and policies of the Council;
 - b) Identifies issues of relevance to the Members;
 - c) Prepares decisions by the Council and makes recommendations on policy matters.
- 5.3. The Council appoints the members of the Executive Committee. The committee shall be representative of the diversity of the ECF membership. It will be composed of the President, Vice-Presidents and other members with in total a minimum of six (6) and recommended maximum of fifteen (15) members. In appointing the members of the Executive Committee, the Council shall endeavour to ensure continuity and a broad spectrum of representation.



- 5.4. The term of office will be two (2) years; members may be re-appointed.
- 5.5. The Executive Committee operates by consensus. If consensus cannot be reached, the matter shall be referred to the Council.
- 5.6. The Executive Committee shall meet as often as necessary but at least twice a year. Meetings of the Executive Committee shall be convened no less than fourteen (14) days in advance by letter, e-mail or any other communication in writing.
- 5.7. Meetings of the Executive Committee may be attended by observers from Members.
- 5.8. Executive Committee members may resign at any time and must notify this to the President without delay by a registered letter addressed at the registered office. The dismissal shall enter into force after written approval sent by the President to the concerned member.
- 5.9. A vacancy may be filled by decision of the remaining Executive Committee members by co-option of a suitable person, who shall have the same powers as members elected by the Council. The next Council meeting shall confirm or substitute such co-opted member.

6. Presidium

- 6.1 The Presidium shall consist of the President and four (4) Vice-Presidents.
- 6.2 The Presidium shall be appointed by the Council out of the Executive Committee members.
- 6.3 Presidium members will represent the following membership categories:
 - 2 representatives for the roasted and soluble coffee membership
 - 1 representative for trade
 - 1 representative for national associations
 - 1 representative for decaffeinator/warehouse keepers. The representation shall rotate between both groups every two years.

7. President

- 7.1. The President shall be appointed by the Council. Candidature will depend first and foremost on the ability to preside over and to represent the Association.
- 7.2. The term of office will be two (2) years with two consecutive possible extensions.

8. Vice-Presidents

- 8.1. There shall be four Vice-Presidents who shall be appointed by the Council.
- 8.2. The Vice-Presidents will assist the President in his/her duties including the representation of the Federation at the highest level.
- 8.3. The term of office will be two (2) years with two consecutive possible extensions.

9. Secretariat

- 9.1. The Council designates a Secretary and Secretariat, responsible for the daily operations of the Association within the priorities, policies and strategies set by the Council. Secretary and Secretariat will be under direct supervision of the President.



9.2. The Secretariat:

- a) Prepares the meetings of the Council, Executive Committee, Committees and Working Groups of the Association;
- b) Maintains records of meetings;
- c) Monitors and analyses developments of interest to the Members and reports on these to the appropriate bodies of the Association;
- d) Maintains day-to-day external contacts;
- e) Prepares financial reports and budgets.

10. Committees

- 10.1. The Council sets up and dissolves Committees as required and decides on membership and terms of reference.
- 10.2. The Council appoints the Committee Chairmen and Vice-Chairmen upon nomination by the Committee.
- 10.3. Committees shall submit recommendations to the Council and will report at least once a year to the Council on their past and future activities.

11. Working Groups

- 11.1. The Council may set up ad-hoc Working Groups and decides on mandate, membership and duration.

12. Representation

- 12.1. The Association will be represented by:
 - i. the President acting solely; or
 - ii. the four Vice-Presidents acting jointly; or
 - iii. the Executive Committee
- 12.2. Additionally, the power of representation is granted to the Secretary within the limits of the mandate established by the Executive Committee.

13. Finances

- 13.1. The financial year of the Association will be the calendar year.
- 13.2. The Secretariat will maintain appropriate financial records.
- 13.3. Financial records shall be audited by an external auditor appointed by the Council.
- 13.4. The Secretariat will report regularly on income and expenditure of the Association to the President and Vice-Presidents.
- 13.5. The President and Vice-Presidents, assisted by the Secretariat, shall prepare the annual budget and allocation of contributions for approval by the Council.
- 13.6. The President and Vice-Presidents, assisted by the Secretariat, shall prepare an annual balance sheet and statement of profit and loss for approval by the Council.



13.7. The Council decides on a system of contribution calculation; this shall be included in the By-laws Regulations.

14. By-laws

14.1. The Council decides on the By-laws of the Association.

15. Dispute resolution

15.1. If an internal dispute arises regarding the interpretation of the Articles of Association or decisions adopted by the Council, the Executive Committee shall appoint an Advisory Panel to consider the issue.

15.2. The Advisory Panel shall consist of no less than three and no more than five persons. It shall hear the parties in the dispute and shall make a recommendation to the Council based on a fair and equitable evaluation.

15.3. The Council shall make a final decision, taking into account the recommendation of the Advisory Panel.

16. Amendment of the Articles of Association

16.1. These Articles of Association can only be amended by a decision of the Council. If a Council is convened for this decision, the convening notice shall contain the draft text of the amendment of the Articles of Association.

17. Dissolution

17.1. The Association will be dissolved by means of a decision of the Council.

17.2. In case of dissolution, whatever the cause, the holdings remaining after all debts have been paid and all liabilities covered shall be put to a disinterested use determined by the Council.