

European Thermoplastics Independent Compounders

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INTERNAL RULES

I. NAME, REGISTERED OFFICE AND DURATION

Article 1

European Thermoplastics Independent Compounders, hereinafter ETHIC, is a Sector Group of EuPC, which is an International Association according to the terms of the Belgian law of 27 June 1921 on non-profit associations and public utility institutions, as amended by the law of 2 may 2002 and by the law of 16 January 2003.

Article 2

2.1 The main address of ETHIC is established at:

Avenue de Cortenbergh 66, B-1000 Brussels

2.2 The main address can be moved upon decision of the General Assembly.

Article 3

3.1 ETHIC is a non-profit organisation. Its objective is the study and discussion of scientific, technical, economical and institutional matters, which are of common interest to European Thermoplastics Compounders with a view of promoting international collaboration.

3.2 ETHIC may also organise conferences and scientific debates in order to promote studies and discussion of these matters.

II. TERRITORY

Article 4

Members of ETHIC can be companies having a manufacturing plant and/or in any member country of the European Union and of the EFTA countries.

III. MEMBERSHIP

Article 5

5.1 ETHIC will have a minimum of eight (8) members. Members of the Sector Group will be admitted from companies in the Territory (as defined under EuPC Working Rules), which satisfy the following conditions:

5.11 Manufacture and sell thermoplastics compounds and masterbatches in the EU or EFTA countries;

5.13 Fulfil the conditions to be member of one of the national plastics associations member of EuPC;

5.14 To be an Independent Compounder. Independent Compounders are companies characterised by the following features:

5.141 They do not use predominantly polymers supplied by their mother company (that is a major polymer producer)

5.142 They work independently with their own structure and organisation

5.2 ETHIC shall have two categories of members:

5.21 Full Members (FM) are companies who fulfil entirely the conditions set in art. 5.1 and have executed these Rules;

5.22 Associated Members (ASM) are companies that do not fulfil the criteria of the Full Members but are interested in the Working Group activities and can contribute to achieve the object of ETHIC as stated under art. 3.1.

Admission of Associated Members shall be proposed by the EXCOM and approved by the GA. Associated members will be entitled to participate to the General Assembly. Associated Members will not have voting rights.

Article 6

6.1 The founding members of the Sector Group are those members who participated to the constitutive meeting of ETHIC on 26 October 2000 and fulfil conditions of Article 5 as well as those members who will adhere to the Sector Group before or during the first General Assembly.

6.2 Admission of new members and associated members shall be subject to the following conditions: an application shall be addressed in writing to the registered office of the Sector Group. The Executive Committee shall verify whether the applicant fulfils the conditions of membership. The application for access shall be submitted to the General Assembly of the Sector Group for approval and accepted by an affirmative vote of two thirds majority of the members present or represented at the General Assembly.

Article 7

7.1 Any member and associated member may resign from his membership at any time.

7.2 Resignation of membership will be made in writing and sent by registered letter to the office of the Sector Group at least six months prior to the end of the current membership year. If the resignation is served less than six months before this date, then the membership will cease at the end of the following membership year.

Article 8

8.A member and associated members ceasing to fulfil the conditions of membership can be excluded from membership by the General Assembly by an affirmative vote of a two-thirds majority of the members present or represented.

8.2 Payment of the membership fee is a condition of membership

8.3 The member and associated members shall be informed by registered letter of his proposed exclusion and has the right to defend his case before the General Assembly.

8.4 Any change in the Member's Company having an impact on its status with regard to its eligibility as ETHIC member shall be communicated to the EXCOM by written letter addressed to the main address of ETHIC.

Article 9

The members and associated members resigning or being excluded of membership have to fulfil their financial obligations of their last membership year before the end of that year.

The members ceasing membership for any reason whatsoever may not avail themselves of any right with regard to the assets of the Sector Group as from the date of notification of their resignation or exclusion.

As from date of resignation, the resigning member will lose any right to services rendered by the Sector Group.

IV. ORGANISATION OF THE SECTOR GROUP

Article 10

The Sector Group consists of the following bodies:

1. The General Assembly (GA);
2. The Executive Committee (EXCOM);
3. Working Groups (WG).

Article 11

The General Assembly **(GA)**

The GA is vested with the most extensive powers with a view to achieving the objectives of the Sector Group. Only members may attend the Annual Meeting subject to the fulfilment of their obligations regarding payment of their membership fee at least 30 days before the GA.

Article 12

The following matters shall fall within the powers of the GA:

- 12.1 Definition of the objectives and general policy of the Sector Group with regard to time and priority;
- 12.2 Approval of budget and accounts of the Sector Group;
- 12.3 Decision on admission or exclusion of members and associated members;
- 12.4 Election, discharge and dismissal of the President, the Vice-President, the Treasurer and of the members of the EXCOM;
- 12.5 Approval of reports of activities;
- 12.6 Amendments to the Articles of the Sector Group;
- 12.7 Decision on dissolution of the Sector Group;
- 12.8 Fixing membership fees and other contributions.

Article 13

- 13.1 Each FM member is entitled to one vote at the GA.
- 13.2 A FM member may be represented by another FM member being holder of a written proxy. A member can not bear more than two proxies.

13.2 In the absence of any provision to the contrary in these Articles of the Sector Group or in the law, resolutions can be adopted by the GA by a simple majority vote of the FM members present or represented at the meeting. A quorum of 50% of the Company FM members is required for the GA to be validly constituted.

Article 14

The GA shall appoint from amongst its members the members of the EXCOM.

Article 15

- 15.1 The GA shall be chaired by the President and in his absence by the Vice-President.
- 15.2 The GA shall be convened at least once a year by the President.
- 15.3 The GA shall also be convened when at least 10% of the members with a minimum of 3 FM members are requesting so in writing to the President. In that case, the President shall serve the notice of convening not later than one month after receiving such request.
- 15.4 Issues not contained in the agenda may be discussed during the GA by unanimous vote of the FM members present or represented at the GA.
- 15.5 Resolutions adopted by the GA shall be recorded in the Minutes Book of the GA and signed by the President.

The Executive Committee (EXCOM)

Article 16

- 16.1 The Sector Group shall be administered by an Executive Committee (EXCOM) – ex see article 10.
- 16.2 The EXCOM shall consist of 4 to 6 members including the President, the Vice-President and the Treasurer of the Sector Group.

16.3 The members elected into the EXCOM will be directors or general managers with international responsibilities of company members.

Article 17

The EXCOM shall administer the Sector Group according the instructions of the GA.

Article 18

The EXCOM is charged with defining and proposing to the GA for approval the strategic orientation of the Sector Group and when approved by the GA, execute and control the activity programme.

Article 19

19.1 The EXCOM shall meet at least twice per calendar year.

19.2 The EXCOM shall be chaired by the President or, in his absence, by the Vice-President.

19.3 Resolutions of the EXCOM shall be passed by a majority vote of the members present or validly represented. A quorum of 50% of the EXCOM has to be present.

19.4 The resolutions of the EXCOM shall be registered in the Minutes Book of the EXCOM and signed by the President.

V. ELECTION AND NOMINATION

Article 20

20.1 The President, the Vice-President, the Treasurer and the members of the EXCOM shall be elected for a term of two years starting on the date of the elections. Their mandates can be renewed by the General Assembly.

20.2 In case of vacancy of an office before the end of the term of two years, the members of the EXCOM will provide promptly for its replacement from the same company, until the next Annual Meeting.

20.3 The mandates of the President, Vice-President, Treasurer and members of the EXCOM are filled gratuitously.

VI. WORKING GROUPS OR SPECIAL COMMITTEES

Article 21

Working groups or special committees can be constituted by the EXCOM (or the General Assembly) for special tasks. All members shall be informed of the creation of any Working Group or Committees and invited to participate.

VII. ACCOUNTING YEAR

Article 22

22.1 The membership year and the accounting year start on January 1st and end on December 31st of each year.

22.2 The EXCOM shall submit the annual accounts and the budget to the GA for approval.

Article 23

22.1 The Sector Group shall be financed mainly by annual membership fees of the members.

23.2 The amount of the membership fee shall be set each year by the GA.

23.3 The members of the Sector Group undertake to comply with the EU rules regarding competition during the meetings and the working groups organised by the Sector Group.

VIII. MODIFICATION OF THE ARTICLES / DISSOLUTION OF THE SECTOR GROUP

Article 24

24.1 Proposals for modifications of the Articles of the Sector Group and for dissolution of the Sector Group shall be sent to the members together with the convening notice of the meeting of the GA.

24.2 Decisions regarding modifications to the Articles of the Sector Group and dissolution of the Sector Group shall be decided upon a two-thirds majority vote of the members present or represented at the GA. A quorum of two-thirds of the members is required.

IX. GENERAL REGULATIONS

Article 25

25.1 In general correspondence, agendas of meetings, working documents and minutes will be drafted in the English language.

25.2 The EXCOM and GA Minutes shall be signed by the President after approval of their content by the members of the EXCOM and the members of the GA.

25.3 The convening notices to the GA and EXCOM to be sent by the President to the members may be served by e-mail. New items to the agenda of these meetings may also be requested by the members by e-mail.

25.4 Each member shall notify to the President of the Sector Group the name of his delegate to the GA. Any change in the representation of a member shall be notified to the President not less than eight (8) days before the GA. Any proxies given shall be presented to the President at the opening of every meeting of the GA.

25.5 The convening notices to the EXCOM shall be sent by the President two weeks in advance to the members of the EXCOM together with all relevant documentation.

25.6 Travelling and accommodation expenses shall be borne by the members of the Sector Group.

These Internal Rules have been approved by the ETHIC General Assembly on 26/10/2000 and modified by the General Assembly on 7 May 2002 and 22 March 2007.

Annex 1: List of founding members

Annex 1

FOUNDING MEMBERS

General Assembly – 26th October, 2000

Company Name Signature

Ampacet Europe SA Mr Daniele Peruzzo

Mr Mike Gaudio

Cabot Plastics (B)

Mr. H. Vanhaelen

Prod. & Appl. Dev. Manager

Lati Industria Termoplastici S.p.A. (I)

Prof. Dr. F. Conterno

President

Dr Jacky-Jean Tarnat

Vice president

Multibase (F)

Mr. M. Poitrenaud

P-Group srl (I)

Mr. L. Battistoni

Marketing Manager

Polykemi AB (SE)

Mr. O. Hugoson

Managing Director

Polyone

Mr Ott

Mr Bernard Baert

General Manager (W.Color)

Polytechs (F)

Mr. Patrick Coquelet

General Manager

Pongs und Zahn

Mr Yil Yorgan

Managing Director

Mr Joachim Schlennstedt
Director of supervisory board
Premix Oy (FIN)
Mr. A. Kiikka
Chairman
Ravago Plastics n.v. (B)
Mr. G. Weyts
Managing Director