



Articles of Association

Association for the Furtherance of
Ethernet in Automation Systems
IAONA e.V.



Articles of Association - IAONA

Stuttgarter Strasse 45-51, 72654 Neckartenzlingen, Germany

§ 1 Name and Seat

(1) The Association bears the name IAONA (Industrial Automation Open Networking Alliance). It is to be registered in the Register of Associations in Nürtingen. After registration in the Register of Associations it will bear the suffix "e.V." (Registered Association in Germany).

(2) The seat of the Association is in Neckartenzlingen.

§ 2 Purpose and Tasks

(1) The purpose of the Association is to support the international propagation of open networking standards of the IT technology such as ETHERNET in automation systems, for the general good and for the benefit of users.

In particular the Association pursues this purpose by:

- encouraging the exchange of information among all interested parties for the further development of the technical specifications;
- promoting the standardisation of new Ethernet standards at national and international level;
- informing the public at large as to the technical status, application and further development of Ethernet in automation systems, in particular by means of an Internet website, newsletter and seminars, and participation at trade fairs, lectures and conferences;
- providing advisory support to
 - hardware, software and systems manufacturers
 - planners and systems companies
 - users and operating companies
 - research institutes and associations
 - user groups
 - project engineers and other interested parties.

(2) To further these ends, the Association in particular forms working parties, is represented at trade fairs and exhibitions, and maintains a Web server.

(3) The Association exclusively and directly pursues non-profit-making goals under the terms of the section governing "Purposes eligible for tax relief" as specified in the German Fiscal Code ("Abgabenordnung"). The Association operates on a non-profit-making basis; its goals are not primarily its own commercial benefit; the Association has no religious or political goals.



- (4) Assets of the Association may only be used for purposes defined in the Articles. The Members receive no share in profits, nor do they by virtue of their position as Members receive any other benefits from the assets of the Association. Neither Members of the Association nor any other persons may benefit from payments which do not comply with the purpose of the Association, nor may any persons benefit from disproportionately high remuneration.

§ 3 Financial Year

The financial year of the Association begins on July 1st and closes on June 30th. The first financial year closes on June 30th, 2000.

§ 4 Membership

- (1) Members of the Association may be
- a) legal persons
 - b) associations of persons
 - c) natural persons
- provided they support the objectives of the Association.
- (2) Each Member has one vote at the Members' Assembly.
- (3) Membership is acquired by submission of a written application. The Executive Board decides whether to accept or refuse such applications at its own discretion. Reasons for acceptance or refusal do not have to be given.
- (4) Persons who have rendered exceptional services to the Association may, at the proposal of the Executive Board, be appointed Honorary Members by the Members' Assembly. Honorary Members are exempt from membership fees.

§ 5 Termination of Membership

- (1) Membership shall be terminated:
- by voluntary resignation, which is permitted observing a period of three months' notice to the end of the financial year. Notice must be given in writing and sent by registered post;
 - by voluntary resignation in the event of resolutions with financial implications being passed which are not supported by a Member. Said Member has the opportunity to cancel membership without notice within 14 days of the issue of the minutes, whereby the said Member shall not be bound by such a resolution and is therefore not liable for any financial consequences arising therefrom;
 - by expulsion; a Member who seriously contravenes the purposes of the Association may be expelled from the Association by the Members' Assembly. A majority of two thirds is required, and the Member concerned must be informed



- of the expulsion by registered post;
- by the death of the legal person or dissolution of the association of persons;
 - by removal from the List of Members by the Executive Board, if the Member's membership fees have fallen six months in arrears and two written payment reminders have been issued. As documentary evidence, removal shall be notified to the Member concerned by registered post with return certification of receipt. No legal action shall be admissible against the said measures. The removal shall be notified by the Executive Board at the next Members' Assembly.
- (2) Departing Members shall have no claims to the assets of the Association or parts thereof, nor shall they be entitled to receive any documents drawn up in connection with the affairs of the Association. Following their resignation or expulsion, Members must maintain confidentiality in respect of resolutions passed and results of work produced by the Association.

§ 6 Membership Fees

- (1) The funds required to achieve the objectives of the Association are raised by membership fees, voluntary donations and contributions approved by the Members' Assembly.
- (2) The amount to be levied for membership fees is determined at the Members' Assembly. Membership fees are to be paid annually, and are due in advance by the end of the first month of the financial year. In the event of a Member joining the Association during the course of the financial year, the full annual fee shall be due upon attaining membership.

§ 7 Organs of the Association

The organs of the Association are the Members' Assembly and the Executive Board.

§ 8 Members' Assembly

- (1) The Members' Assembly is the highest instance of decision-making in all matters pertaining to the Association, in particular:
- (a) Election of the Executive Board and the auditors
 - (b) Nomination of Honorary Members
 - (c) Expulsion of Members
 - (d) Discharge of members of the Executive Board and of the auditors
 - (e) Setting of the membership fees and any other contributions
 - (f) Amendment of the Articles of Association
- (2) Within six months of the end of each financial year the Executive Board shall call



a Members' Assembly (General Members' Assembly) to perform duties including the following:

- (a) Review and approve the report and accounts presented by the Executive Board.
- (b) Ratify the actions of the Executive Board.
- (c) Approve the budget proposal put forward by the Executive Board.

Extraordinary Members' Assemblies shall be called either if resolved by the Executive Board or if requested in writing by 25 % of all Members.

- (3) General Members' Assemblies are to be called with a period of notice of four weeks, not counting the date of posting of the invitation and the date of the Assembly. Invitations must be issued in writing, and give details of the agenda.
- (4) The Chairman of the Executive Board (or, in the event of his or her absence, the Vice- Chairman) shall chair the Members' Assembly.
- (5) At the Members' Assembly each Member has one vote. Members are entitled to be represented at the Meeting by a representative of the delegating body holding written power of attorney. Every natural person present has a maximum of 2 votes.
- (6) The Members' Assembly constitutes a quorum provided it has been duly called.
- (7) Submissions for inclusion on the agenda received prior to issue of the invitation to the Members' Assembly must be included on the agenda if they have been signed by at least three voting Members.
- (8) The Members' Assembly passes its resolutions with a simple majority of the valid votes cast. A majority of two thirds of the valid votes cast is required for amendment of the Articles of Association. Such resolutions may only be passed if they are included on the agenda issued with the invitation to the Members' Assembly.
- (9) Minutes shall be recorded in respect of every Members' Assembly, recording in particular the resolutions passed. The minutes shall be signed by the sitting Chairman and by the Secretary (appointed minutes-taker).
- (10) Resolutions passed by the Members' Assembly shall take effect and become binding 14 days after issue of the minutes by the Secretary.

§ 9 The Executive Board

- (1) The Executive Board comprises at least the Chairman, the Vice-Chairman (Deputy), the Deputy Vice-Chairman (Treasurer) and the Assistant Deputy Vice-Chairman (Secretary). Regarding the installation and de-installation of additional Executive Board members, the Members' Assembly passes its resolutions with a simple majority of the valid votes cast.
- (2) Members of the Executive Board entitled to represent the Association under the



terms of Section 26 of the German Civil Code (BGB) are the Chairman jointly with the Vice-Chairman or the Chairman jointly with the Treasurer.

- (3) The Executive Board is elected for a period of one year by the Members' Assembly. However, the period of office shall not end before the General Members' Assembly for the year in which the period of office expires has been held. The outgoing Executive Board shall remain in office until a new Executive Board has been elected. Re-election and the holding of more than one office are permitted.
- (4) The Members' Assembly may discharge a Member of the Executive Board from his or her duties for good cause, in particular in the event of gross breach of said duties. Resolutions may only be passed in this respect if included on the agenda issued with the invitation to the Members' Assembly.
- (5) If more than one Member of the Executive Board leaves during the period of office, a Members' Assembly shall elect substitute Members of the Executive Board for the remaining duration of the period of office.

§ 10 Rights and Duties of the Executive Board

- (1) The Executive Board is charged with the management of the day-to-day business of the Association, the implementation of resolutions passed by the Members' Assembly and the administration of the Association's assets.
- (2) The Executive Board calls the Members' Assembly. The Assembly is chaired by the Chairman; if he or she is absent, by the Vice-Chairman.
- (3) Executive Board meetings are called by the Chairman or by two Members of the Executive Board.
- (4) The Executive Board passes its resolutions with a simple majority of votes cast, except in the cases stipulated otherwise in the Articles of Association. In the event of a tie, the Chairman shall have the casting vote.
- (5) Minutes shall be recorded in respect of every Executive Board meeting and Members' Assembly by the Secretary or, in the event of his or her absence, by a Member designated by the Chairman of the Assembly. The minutes shall be signed by the Secretary (minutes-taker) and the Chairman of the Assembly.
- (6) The Treasurer administers the funds of the Association and keeps proper accounts of all receipts and expenditures; he or she must present a report and account to the Members' Assembly pursuant to an audit by the appointed auditors.
- (7) The Executive Board may appoint subcommittees to carry out particular tasks. The chairmen and members of the said subcommittees shall be appointed by the Executive Board. The subcommittee shall be dissolved by the Executive Board upon completion of its task.



§ 11 Auditing

The accounting and bookkeeping of the Association is audited by two auditors, who are selected for the current financial year by the Members' Assembly from among the Members. They must not be members of the Executive Board.

§ 12 Dissolution of the Association

- (1) A resolution to dissolve the Association may only be passed at an Extraordinary Members' Assembly, called specifically for that purpose observing a period of notice of six weeks. Such resolution requires a three quarters majority.
- (2) Where the Members' Assembly does not appoint specific liquidators, the Chairman of the Executive Board and the Vice-Chairman or the Secretary shall act as liquidators with joint powers of representation.
- (3) The liquidators shall wind up all outstanding business. The remaining assets shall be transferred to other non-profit making institutions which pursue the same or similar objectives as the liquidated Association.
- (4) The aforementioned provisions shall apply accordingly in the event that the Association is dissolved for any reason or loses its legal status.

§ 13 Concluding Provision

Resolutions pertaining to editorial amendments to the content of the Articles of Association which may be demanded by the District Court or the Tax Authorities may be passed by the Executive Board without consultation and registered accordingly.

Neckartenzlingen, February 06th, 2003