



THE CONSTITUTION OF THE EUROPEAN BUSINESS COUNCIL IN JAPAN
(REVISED JANUARY 2020)

1. General Provisions

- 1.1 The European Business Council in Japan (the "**EBC**") is permitted by the Ministry of Economy, Trade and Industry (METI) to use the official name in Japanese 欧州ビジネス協会 and in English "European (EU) Chamber of Commerce in Japan" in accordance with the provision of the 2nd clause of Article 3 of the Chamber of Commerce and Industry Act (*Shokokaigisho-ho Dai3-jo Dai2-ko tadashisho no kitei*).
- 1.2 The EBC comprises European National Chambers of Commerce (the "**Members**" or, individually "**Member**") and European Companies (the "**EBC-affiliated Companies**" or individually "**EBC-affiliated Company**"), in each case having accepted this Constitution, and having been formally approved by the Board of Directors (each such body being a "**Stakeholder**" or "**Stakeholders**").
- 1.3 The EBC's executive body shall be the Board of Directors, which shall be supported by the EBC Management.
- 1.4 Reflecting the EU's principle of subsidiarity, the Stakeholders shall, through this Constitution, delegate to the Board of Directors the right to represent a common European point of view on behalf of the Stakeholders in developing and promoting the activities of the EBC.
- 1.5 The EBC aims to represent the interests of, and provide benefits to, its Stakeholders and, in doing so, to support, strengthen and complement the work of the Members, but not to replace their respective national concerns.
- 1.6 The Stakeholders are accountable to the Board of Directors for all activities undertaken in the name of the EBC.
- 1.7 The EBC's head office shall be in Tokyo.



2. Definitions and Interpretation

In this Constitution the following capitalized terms shall have the meanings given to them:

"**Board of Directors**" or "**Board**" means the governing body of the EBC, its highest administrative organ;

"**Board Meeting**" means a properly constituted meeting of the Board of Directors;

"**Board Members**" has the meaning given to that term in Article 4.1(b);

"**Chief Operating Officer**" has the meaning given to this term in Article 8.3;

"**Chief Policy Director**" has the meaning given to this term in Article 8.2;

"**Committee**" means a committee of the EBC, authorized by the Board of Directors to represent sectorial business interests of the respective Committee Members, operating in accordance with this Constitution and the term "**Committees**" means, as appropriate, some or all of the Committees;

"**Committee Chairperson**" means a chairman of a Committee, elected in accordance with this Constitution, and the term "**Committee Chairpersons**" shall be construed accordingly;

"**Committee Member**" means a company or other body or organization (represented by designated individuals notified to the EBC Management) or an individual which or who has successfully applied to become a member of one or more Committees in accordance with this Constitution;

"**Company**" means any corporation, firm, partnership, cooperative, association, organization, institution, trust, or agency, whether or not having a separate legal personality;

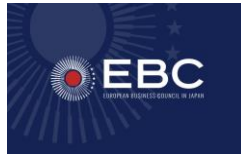
"**Constitution**" means this constitution of the EBC;

"**Defaulting Member**" has the meaning given to this term in Article 5.3;

"**EBC**" means the European Business Council in Japan;

"**EBC-affiliated Company**" or "**EBC-affiliated Companies**" has the meaning given to these terms in Article 1.2;

"**EBC Financial Year**" means each calendar year commencing on 1 January and ending on 31 December, or such other term as the Board of Directors may



determine, and used as the basis for preparing the EBC's annual budget and accounts;

"EBC Management" has the meaning given to that term in Article 8;

"European Company" means 1) a Company which is incorporated in or based in Europe, or 2) the Japanese subsidiary, branch or representative office of such Company falling under the preceding item 1).

"European National Chamber of Commerce" means a national chamber of commerce and industry of a European nation and which has been established in Japan to represent the national business interests of the country with which such national chamber is expressly associated;

"First Vice-President" has the meaning described in Article 6.5;

"Honorary President" means a former President designated as such by the Board of Directors in accordance with Article 6.7;

"Majority Vote" means 51% of the votes received unless otherwise specified in this Constitution;

"Member" or **"Members"** has the meaning given to these terms in Article 1.2;

"New Committee Proposer" has the meaning given to that term in Article 9.1(b);

"Representative" means the president/chairman, head or other senior representative of a Member, including any person duly designated as an alternate or substitute and who has been notified as such to the Board of Directors;

"President" means the individual elected as President of the EBC in accordance with this Constitution;

"Qualified Majority" has the meaning given to that term in Article 4.3(g);

"Quarter" means a period of three calendar months, beginning in January, April, July and October of each calendar year;

"Stakeholder" means the Members and EBC-affiliated companies as stated in Article 1.2;

"Temporary Defaulting Stakeholder" has the meaning given to this term in Article 5.3;

"Treasurer" means the treasurer of the EBC, appointed by the President as defined in Article 6.6;



"**Vice-President**" means each of the Vice-Presidents as defined in Article 6.5.

3. EBC Composition, Structure and Objectives

3.1 The EBC is constituted of the Board of Directors, the EBC Management and the Committees.

3.2 The EBC is an independent organization and is funded predominantly by contributions from the Members and affiliation fees from EBC-affiliated Companies. The EBC's financial resources and assets shall be used solely in accordance with the EBC's activities and tasks as stipulated in this Constitution.

3.3 Principal objectives of the EBC

Unless otherwise provided by law, the EBC shall in particular promote, support and protect the business interests of its Stakeholders by:

- (a) supporting and facilitating the development of trade and commerce in Japan through activities aimed at improving the business environment and the removal or reduction of regulatory and other political obstacles;
- (b) collecting, developing and disseminating relevant information to the Stakeholders and the Committees;
- (c) organizing and holding conferences and seminars and other such meetings as may be considered desirable to promote the interests of the EBC;
- (d) communicating with the Japanese Government and its various ministries and agencies to facilitate the conduct of business in Japan by Stakeholders;
- (e) supporting the activities of the EU Delegation and the governments of the EU member states and their respective institutions, and any other society, association, company or body of persons pursuing objectives to the benefit of the EBC; and
- (f) conducting any additional activities which are permitted by law and in line with the objective of the EBC stated in Article 1.5.

4. The Board of Directors

4.1 Composition of the Board of Directors

- (a) Each Member shall designate its President as respective Representative to represent it on the Board of Directors and each such Representative shall be entitled to serve on the Board of Directors until another individual is designated as representative of



said Member, provided that its respective Member is in compliance with this Constitution. No more than one individual of each Member shall belong to the Board of Directors.

- (b) The Board of Directors shall consist of (i) the President, (ii) the Vice-Presidents, (iii) the Treasurer and (iv) the Representatives, (together the "**Board Members**").
- (c) Pursuant to Article 6.2, the Board Members (except for the existing President, if any) shall elect the President, who shall chair the Board of Directors. In the President's absence at a Board Meeting, the First Vice-President shall act as chair.
- (d) Each Board Member shall have the right to participate in the activities of the Board of Directors in accordance with this Constitution.
- (e) The Chief Operating Officer shall attend Board Meetings but shall have no voting rights. The Committee Chairmen, Honorary Presidents and other appropriate individuals can be invited by the President to attend in Board Meetings but shall have no voting rights either.

4.2 Role of the Board of Directors

In addition to the statutory duties and those provided for elsewhere in this Constitution, the Board of Directors shall in particular perform the following activities:

- (a) monitor and review the functioning of the EBC;
- (b) be responsible for approving new Stakeholders and setting and changing the financial contribution of Members or affiliation fees of EBC-affiliated Companies;
- (c) be responsible for ratifying the creation, cessation and termination of Committees;
- (d) approve the EBC's annual report, annual business plan and annual budget as prepared and submitted by the President;
- (e) be responsible for monitoring the activities of the Committees with a view to ensuring that such activities do not harm the interests of the EBC or its Stakeholders or result in unauthorized depletion of the EBC's funds

4.3 Meetings and Resolutions of the Board of Directors

- (a) To undertake the matters listed in Article 4.2, the Board of Directors shall hold regular Board Meetings at least six (6) times a year. The EBC Management will give each Board Member at least fourteen days advance notice of each scheduled Board Meeting.
- (b) In the event of an emergency requiring an urgent Board Meeting, the President may call an emergency Board Meeting by giving not less than seven days' notice.
- (c) Subject to Article 4.3(b), each formal resolution of the Board of



Directors must be proposed by at least one (1) Board Member and shall be circulated by the EBC Management to all Board Members at least fourteen days prior to the date of the Board Meeting at which such resolution is to be decided.

- (d) The Board Meeting shall take place either by personal attendance or by means of telephone conference, video conference, web-based conference (an online meeting) or similar communication equipment, allowing all persons participating in the meeting to communicate with each other at the same time. If the Board of Directors has approved the matter to be resolved in writing or by an electronic means, such matter shall also be deemed to have been resolved at the Board Meeting.
- (e) Each Member shall ensure that it is represented at each Board Meeting by its Representative. If a Representative is unable to attend a Board Meeting in person, he shall be entitled to designate as his proxy any other member of the relevant Member's board of management, who shall be entitled to attend a Board Meeting and to vote at such meeting on behalf of the Representative. A Representative who intends to attend a Board Meeting by proxy shall give prior notice of this and the identity of the chosen proxy to the EBC Management. Proxies can also be appointed for a 12-months period and can exercise their voting right whenever the main Representative is unable to attend.
- (f) Each of the Board Members, except those in a "defaulting" situation, shall be entitled to cast one vote each at Board Meetings. The Chief Operating Officer, Honorary Presidents as well as Committee Representatives, even if attending the Board Meeting, shall not have the right to cast a vote.
- (g) Unless otherwise specified in this Constitution, resolutions of the Board of Directors shall be passed by a Qualified Majority. A Qualified Majority shall be reached in the event there is (i) a simple majority vote of the Board Members in attendance (the "**1st Validation**") and (ii) the Representative affirmative votes constitute at least 51% of the total Member contribution for the respective financial year of the EBC in which the resolution takes place (the "**2nd Validation**").
- (h) Notwithstanding the preceding paragraph, the following matters shall require a two-third majority on the 1st Validation level:
 - a) Election and Revocation of the President of the Board of Directors of the EBC;
 - b) Amendments to this Constitution;
 - c) Dissolution of the EBC.For the avoidance of doubt, a 2nd Validation as stated in Article 4.3 (g) shall remain required for such matters as well.
- (i) The voting shall generally take place by secret ballot. Notwithstanding, the President may propose an open ballot provided there is no objection of any of the Board Members.



5. Stakeholders' financial contributions to the EBC

5.1 Members' financial contributions to the EBC

In order to operate effectively on behalf of the Stakeholders, the EBC shall be provided with annual financial contributions by each Member. The details of the annual financial contributions shall be determined by the Board of Directors each financial year and notified to the Members separately.

5.2 Reduction of Members' Annual Financial Contribution

If a Member suffers a severe and prolonged reduction in its financial resources and as a result has determined that it needs to apply to the Board of Directors for a reduction in its annual financial contribution to the EBC, the Member must first provide a signed draft resolution to this effect, stating the proposed amount of reduction and the reasons for such reduction, to the EBC Management at least 14 days prior to the Board Meeting at which the Member wishes its resolution to be considered. The Member shall also supply appropriate supporting evidence that will enable the Board of Directors to properly consider the matter. So that any proposed reduction may be taken into account by the Board of Directors in approving the EBC's annual business plan and annual budget in accordance with Article 4.2, the draft resolution submitted pursuant to the provisions of the preceding rule must be delivered to the EBC Management not less than six (6) calendar months prior to the commencement of the EBC Financial Year in which such reduction is proposed to take effect. For the avoidance of doubt, a decision of the Board of Directors to agree to a reduction in the financial contribution of a Member shall not of itself lead to any resulting increase in the contributions of other Members. If a proposed reduction in funding is sufficient to impact on the budgeted running and operation costs of the EBC, the Board of Directors shall consider how best to manage the impact of such funding reduction and any appropriate measures for raising additional sources of revenue.

5.3 Default of Payment Obligations of Member

If a Member is in default of any payment obligation to the EBC by more than 30 days, such Member (a "**Temporary Defaulting Member**"), respectively the individual designated as representative of said Member, shall lose its right to vote at Board Meeting until the payment default has been fully cured. If at the end of the relevant EBC Financial Year a Temporary Defaulting Member has failed to cure the payment default in full ("**Defaulting Member**"), the Defaulting Member shall be excluded from the EBC within one (1) month of the end of the year of the default.



Any Vice-President or Committee Chairman who is a member of a Defaulting Member shall immediately tender his resignation to the Board of Directors.

5.4 EBC-affiliated Company of Defaulting Member

To avoid prejudicing the interests of any EBC-affiliated Company of a Defaulting Member who wishes to remain actively involved in an EBC committee or wishes to join an EBC committee, such EBC-affiliated Company shall be entitled to apply for direct affiliation with the EBC at the regular affiliation fee depending on the affiliation category.

5.5 EBC-affiliated Companies' Affiliation Fees

Depending on the category of affiliation with the EBC, EBC-affiliated Companies shall pay an affiliation fee to the EBC that is set by the Board of Directors on a regular basis.

5.6 Default of Payment Obligations of EBC-affiliated Company

If a EBC-affiliated Company is in default of any payment obligation to the EBC by more than [30 days], it shall be excluded from the EBC at the end of the year of the default, if such EBC-affiliated Company or individual member has failed to cure payment default in full at the end of the year in default.

6. Role and duties of the President

6.1 Role and duties of the President

The principal activities of the President shall include in particular the following:

- (a) acting as the EBC spokesman, representing the EBC in dialogue with Japanese Government officials and liaising with the EU Delegation, European Commission, and other bodies relevant to achieving the objectives of the EBC;
- (b) running the activities of the EBC, including chairing the Board of Directors, reporting to the Board of Directors on the state of the EBC's business interests and deciding the priorities of the EBC in consultation with the Board of Directors;
- (c) in consultation with the Board of Directors, being responsible for the preparation of and adherence to the annual business plan and budget of the EBC; and
- (d) supervising the operation of the EBC Management.

The President shall not engage in any activities and representations which may cause a conflict of interests for him. In case of any potential conflict of



interest, the President shall inform the Board of Directors immediately which shall decide on such matter in accordance with this Constitution.

6.2 Election of the President

- (a) Not less than three months prior to the scheduled expiry of a President's term of office, or upon the office of President being vacated prematurely, the EBC Management will notify all Stakeholders of the vacancy and these terms and timing of the election, calling for applications within a two-week period. The EBC Management will provide details of the responsibilities and workload of the office of President. The EBC Management will request candidates for the position of President to submit their details in writing to the EBC Management.
- (b) Candidates eligible for the position of President are:
- 1) Present or past presidents of Members; or
 - 2) Present or past members of the Board of Directors; or
 - 3) Individuals who are notified to the EBC Management as current representatives of EBC-affiliated Companies and who are participating in EBC Committees on behalf of their respective EBC-affiliated Companies.

If a candidate is a present president of a Member, his notification to the EBC Management shall confirm that if he is elected President, he will have vacated the office of president of said Member before the commencement of his term of office as President of the EBC.

- (a) If the EBC Management finds that a candidate is ineligible based on the criteria specified in Article 6.2 (b), a written explanation will be supplied to the ineligible candidate within one (1) week of receiving his application and the decision of the EBC Management will be binding.
- (b) The EBC Management will collect election statements and personal resumes from each eligible candidate within one (1) week after the deadline for applications. These will be circulated with an election ballot paper to the Board Members who are eligible to vote pursuant to Article 4.1(c) and a formal election will be conducted by sealed ballot by a date set by the EBC Management, allowing the required 15-days period for voting. The President will be elected, when at the election at least 2/3 of the voting rights have been expressed, as the candidate receiving the most votes being elected as indicated in Article 4.3(h). In the event of a tied vote, the EBC Management shall arrange a new vote in respect only of the tied candidates. The EBC Management will distribute to all Stakeholders, the name, personal resume and election statement of the newly elected President.



6.3 President's term of office

The President's regular term of office shall normally commence in January and shall be for a period of two (2) years and shall expire on 31 December of the second year. The President may seek for re-election for a subsequent period of another two (2) years, constituting an aggregate term of four (4) years at maximum. If the office of President is prematurely vacated, the First Vice-President shall act as President until the end of the calendar year during which such vacation occurs so that a new President may be elected to take office commencing 1 January of the following year. A Vice-President so acting as President shall be entitled to be a candidate in an election for President.

6.4 Termination of a President's term of office

A President's term of office may be terminated by a resolution to that effect passed upon a vote of not less than two-thirds majority at a Board Meeting in accordance with Article 4.3(g).

6.5 EBC Vice-Presidents

- (a) There shall be at least three Vice-President (among them one First Vice-President) who shall be appointed by the President and introduced at the first Board Meeting held after the new President takes office.
- (b) The President shall appoint the Vice-Presidents from among the Board Members based on their competence and experience for this position
- (c) Each Vice-President shall be assigned by the President with a designated topic, including, but not limited to human resources and communication.
- (d) The scheduled term of office of each Vice-President (including any replacement Vice-President) shall be the same as that of the current President (including any additional period during which the First Vice-President deputizes as President in accordance with Article 6.3).
- (e) The appointment of either of the Vice-Presidents may be terminated by the Board of Directors at any time, following which the Board of Directors shall request the President to nominate a replacement.
- (f) Either Vice-President may deputy for the President upon request by the President. When the President is not able to execute his duties due to unforeseen circumstances or an Act of God, the First Vice-President shall assume his duties as deputy.

If the First Vice-President succeeds the President in accordance with Article 6.3, the Board of Directors shall select a replacement First Vice-President. The replacement First Vice-President and other Vice-Presidents shall remain in office until the new President is appointed.



6.6 EBC Treasurer

The President shall appoint the Treasurer who preferably should be a Board Member, but can be selected from any Stakeholder, in which case, the Treasurer must become a member of the Board of Directors and attend Board Meetings. The term of office of the Treasurer shall be the same as that of the appointing President though may be terminated by the President at any time. The appointment of the Treasurer and/or a premature termination of his term of office must be approved by the Board of Directors. Amongst other duties, the Treasurer shall monitor the EBC's finances and verify the completeness and correctness of the annual EBC financial statement prior to its submission to the Board of Directors for approval.

6.7 Honorary President

- (a) An individual who was previously elected as EBC President and completed the full term in this office with integrity and compliance may be awarded the title of Honorary President, subject to unanimous approval by the Board of Directors.
- (b) The decision to award the title shall be made at the first Board Meeting after completion of the former President's term and will be based on the unanimous vote among the Board of Directors
- (c) The title of Honorary President shall be valid for an unlimited term unless it is revoked by the Board of Directors at their discretion in accordance with Article 4.3 (g).
- (d) An Honorary President shall not be eligible to cast a vote.
- (e) An Honorary President may not act as a representative of the EBC nor speak or issue a statement on behalf of the EBC unless approved in advance by the EBC Management.

7. Auditing of Accounts

The EBC accounts shall be audited annually by an external auditor approved by the Board of Directors to ensure that they are correct and compliant with Japanese legal requirements.

8. EBC Management

8.1 Duties of EBC Management

A permanent EBC Management shall be established, reporting directly to the President ("**EBC Management**"). The principal activities of the EBC Management shall include the following:



- (a) Supervision of the Committees' activities;
- (b) Acting as liaison between Stakeholders and Committees;
- (c) Planning and support of door-knock activities;
- (d) Scouting of new corporate members;
- (e) Preparation and support of organizational matters of the Board of Directors; and
- (f) Organization of events and other meetings supporting EBC objectives.

8.2 Staffing of EBC Management

The EBC Management shall consist of one (1) Chief Operating Officer and one (1) Chief Policy Director that will be directly in charge of the advocacy activities, plus additional staff members as deemed appropriated by the Board of Directors according to the circumstances. The staffing and other arrangements for the EBC Management are the responsibility of the President.

8.3 Chief Operating Officer

The Chief Operating Officer (COO) manages the administrative functions of the EBC.

The COO is appointed by the Board and shall take part, without voting rights, at the Board Meeting and any other meetings of the EBC, assisting in their organization.

The COO shall be considered the trustee of the administrative functions of the EBC under the co-ordination of the President of EBC and the Board of Directors, especially regarding the administration of the funding coming from the contributions.

The COO shall co-ordinate the collection of the annual membership fees; shall draft the minutes of the Board Meetings and carry out all other various functions as entrusted to the COO by the Board of Directors and the President. The COO shall supervise and manage the personnel of the EBC and shall carry out the resolutions of the Board of Directors, as well as the instructions of the President.

Considering the responsibilities, the COO shall sign the administrative acts of the EBC alone or together with the President as per internal instruction to be annually issued by the Board of Directors.

The COO is not permitted to be a Member of the EBC and is not permitted to be involved in business activities that may result in a conflict of interest with the EBC.

9. Committees

9.1 Formation of Committees



- (a) All Committees must meet the needs of, and operate in a manner consistent with, the objectives of, the EBC and this Constitution.
- (b) Any Stakeholder is entitled to apply to form a new Committee ("**New Committee Proposer**"). Such application shall be filed with the EBC Management.
- (c) Upon receiving a duly completed application to form a new Committee, the EBC Management shall refer the matter for consideration by the Board of Directors. The Board of Directors shall consider the application and determine whether the suggested new Committee is in accordance with the aims and needs of the EBC. If appropriate, the Board of Directors shall designate one or more Board Members to meet with the New Committee Proposer to investigate the merits of the proposal.
- (d) Upon approval, the Board of Directors shall inform such decision, together with the details of the Board Member assigned to be responsible for such committee, to the EBC Management and the New Committee Proposer.
- (e) If the Board of Directors decides to reject the formation of a proposed new Committee, it shall communicate such decision to the New Committee Proposer, which shall be final and binding.
- (f) Once a new Committee is approved, the EBC Management will announce its formation to all Stakeholders.

9.2 Committee Membership

- (a) An EBC-affiliated Company may apply to join a Committee. All applications to join a Committee shall be made in the first place to the EBC Management.
- (b) Upon receiving a duly completed application, the EBC Management shall refer the matter for consideration by the relevant Committee Chairman. The decision whether to accept the application must be notified to the EBC Management within one (1) month of the date of receipt of the membership application.
- (c) The EBC Management will inform the applicant of the decision. The applicant has one (1) month in which to submit a written challenge of the decision to the EBC Management. This will then be reviewed at the next Board Meeting, which will make a final decision.
- (d) The names of new and withdrawn Committee Members shall be reported regularly to the Board of Directors.
- (e) Committee members are expected to uphold the stipulations of this Constitution in order to positively support the work of the committees and the principles and goals of the EBC and to not bring the EBC into disrepute.
- (f) If a Committee Member is considered not to comply with Article 9.2 (e), the matter can be raised with the Board of Directors.



Every effort should be made to resolve the matter through the mediation of the Board of Directors.

9.3 Committee Operation

- (a) Each Committee shall elect a Committee Chairperson from amongst its members. The Committee Chairperson's term of office shall be two (2) years from commencement of the appointment. Three months prior to completing the two years term of office the Committee Chairperson shall convene either a formal reaffirmation if the incumbent chairman wishes to stand for another term or an election to choose the next Committee Chairperson. Such a reaffirmation or election must be concluded by no later than a month before the current Committee Chairperson's term of office expires. The new Committee Chairperson will become Committee Chairperson immediately after the outgoing Committee Chairperson's two years term expires. Any Committee Member, including the current Committee Chairperson, shall be entitled to stand for election. If the election is contested, the Committee Chairperson shall involve the EBC Management in verifying the votes cast for each candidate.
- (b) A record of the membership of each Committee shall be submitted to the EBC Management by the respective Committee Chairpersons in January of each year. Any changes in Committee Members occurring during the year shall also be notified to the EBC Management.
- (c) Each Committee shall meet at regular intervals but not less than once every Quarter.
- (d) The principles guiding the conduct of Committees are contained below (art.9.4).
- (e) In the event of a serious or consistent breach of the Committee rules, the EBC Management will notify the Committee Chairperson, and if no improvement is seen, the breach will be raised at the next Board Meeting, which will decide on further appropriate action.

9.4 Committee Objectives

The objective of each Committee is to advance the views and defend the interests of European business activities in Japan by:

- (a) Preparing a Terms of Reference document together which includes: 1. Committee Name; 2. Mission/Purpose; 3. Scope & Deliverables; 4. Audience; 5. Plans (how to achieve); 6. Rules.
- (b) Defining and disseminating the views of the sector to the Japanese and European authorities, business associations and the local industry and general lobbying activities.
- (c) Regular issuance of specific position papers on individual matters in digital form.



- (d) Support of and contribution to the annual white paper of the EBC
- (e) Providing information to the EBC Management in respect of the sector.
- (f) Exchanging views and information between members of the Committee.

9.5 Methods of Committee Operation

There are several methods by which the Committee may operate:

- (a) By publicizing the position of the European business sector in Japan.
- (b) By lobbying the EU Delegation in Tokyo and the EU Commission in Brussels and taking a direct approach to the Japanese government ministries.
- (c) By requesting the Board of Directors to endorse Committee papers and present matters to the relevant authorities.
- (d) By using Japanese Government offices such as the Office of Trade and Investment Ombudsman, the Fair-Trade Commission and other relevant entities.
- (e) By having Committee members' companies represented on sector consultation committees organized by Japanese Government Ministries.

9.6 Committee Chairperson and Members

- (a) Election and the term of a Committee Chairperson shall be in accordance with Article 9.3 (a).
- (b) New Committee Chairperson must be communicated to and endorsed by the Board of Directors prior to taking effect.
- (c) Upon endorsement by the Board of Directors, a new Committee Chairperson must be briefed fully on his/her new role by the outgoing Committee Chairperson and provide written agreement of his/her willingness to abide by the EBC Constitution and Committee rules.
- (d) Committee Chairpersons are responsible for ensuring that each Committee Member receives a copy of the EBC Constitution or referring to it on the EBC website.
- (e) A complete list of Committee Members, their addresses, telephone and fax numbers, e-mail addresses and information regarding membership of European National Chambers of Commerce must be made available to the EBC Management.
- (f) The deadline for Committee Chairpersons to provide updated membership lists stated in 9.7 (e) above is December 31. Any change in the membership should be reported to the EBC Management at the time at which it occurs.



9.7 Duties of Committee Chairpersons

- (a) The Committee must meet at least four (4) times a year to discuss issues related to their activities. Minutes of the meetings shall be recorded and distributed by the EBC Management to committee members. A written report concerning the Committee's issues must be prepared by the Committee Chairperson and the EBC Management upon request by the Board of Directors.
- (b) The Committee Chairperson must advise the EBC Management of any internal operating budget arrangements (as per Article 9.9 (a) by January 1st each year).
- (c) The EBC Management must be advised of all the Committee's activities and should always be invited to participate in Committee meetings.
- (d) The EBC Management must receive from the Chairperson, or prepare together with the Chairperson, the Committee meeting schedule for the year in January.
- (e) The Committee Chairperson must ensure that all official requests concerning the Committee's sector are responded to by the requested deadlines.
- (f) The Committee Chairperson must advise any person seeking membership of his/her committee to submit an application to the EBC Management.
- (g) The Committee Chairperson must advise the EBC Management of any change in the Committee membership.

9.8 Funds

- (a) **Internal Funding**

The Committee must be self-sufficient and may establish an operating budget utilizing internal funding (defined as funds raised within an EBC Committee directly from the committee members) if raised voluntarily from the committee members. However, there is no obligation for any committee member to pay additional funds beyond the regular EBC committee membership fee. The EBC Management should be notified of any such budget arrangements by January 1st each year. New members must be notified of such budget arrangements at the time of joining the committee. Any committee utilizing internal funding must submit a financial report to the EBC Management by January 31st of the following year. The financial report may be audited by the Treasurer or the EBC's independent auditor.

However, for internal funding the following must be respected:
- (i) If a committee utilizes internal funding to conduct a project, an event and so forth, and engage a subcontractor etc. in the name of the EBC - any agreement between the Committee and the subcontractor must be in writing and a



copy must be sent to the EBC Management. The agreement must be signed by the Committee Chairperson and by the subcontractor.

(ii) In the event of a dispute relating to this utilization of internal funding, the Committee Chairperson and Committee members must accept the full responsibility for the fulfilment of any outstanding financial obligations and resolve the dispute expeditiously to avoid damaging the reputation of the EBC and the members of the Board of Directors and to hold them harmless.

(b) External Funding

Regarding external funding (defined as any funding raised from a source outside of the Board of Directors and Committees, for example from the EU), the following stipulations apply:

(i) A Committee cannot apply for or utilize external funds directly in the name of an EBC Committee.

(ii) If a Committee wishes to utilize external funding, only the EBC Management can apply for the external funding in the name of the EBC with the authorization of the Board of Directors.

(iii) Pursuant to ii) a Committee must request the EBC Management to apply for the external funding. The EBC Management will apply for the external funding if the project is deemed relevant to the mandate of the EBC by the Board of Directors.

(iv) In the event of obtaining external funds, the EBC Management will proactively manage and audit any project utilizing these external funds. The relevant Committee will act as a steering group in the implementation of the project and hence advise the EBC Management during the course of the project.

9.9 Other Responsibilities of a Committee

Committees should work to the following principles:

(a) The Committee Chairperson is accountable to the Board of Directors.

(b) Only the chairperson of each Committee and the President can make public oral or written statements on matters concerning a committee.

(c) The EBC Management must be copied on all such statements at least 24 hours in advance before the statement is released.

(d) Only the President or his nominated representative can make public oral or written statements on global policy matters of the EBC.



- (e) All endorsements to third parties-originated position papers by a Committee in the name of the EBC must be signed by the Committee Chairperson and the EBC President.

9.10 Termination of a Committee

- (a) A Committee may terminate its activities subject to the provision of evidence that the majority of members of the Committee are in agreement with the decision and to prior approval from the Board of Directors.
- (b) The Board of Directors can dissolve a Committee if it is inactive or is not operating in accordance with the aims of the EBC.

10. Notices

Where this Constitution provides for the giving or issuing of a notice, such notice shall be:

- (a) in writing and delivered by hand (against receipt), sent by mail or courier, or transmitted electronically; and
- (b) delivered, sent or transmitted to the recipient's address as held by the EBC Management.

11. Amendments

This Constitution, including any of its provisions, may only be amended or varied by a resolution to that effect passed upon a vote of not less than two thirds majority of the Board of Directors given fourteen days' notice in accordance with Article 4.3(g).

12. Dissolution

The EBC may only be dissolved by a resolution to that effect passed upon a vote of not less than two-thirds majority of the Board given fourteen days' notice in accordance with Article 4.3(g). If, following a vote confirming the dissolution of the EBC, there shall remain, after satisfaction of the EBC's debts and obligations, any assets whatsoever, such assets together with all important records of the Board of Directors shall be placed in the custody of one of the Stakeholders selected by the Board of Directors, or if no such selection can be agreed, by the President in office prior to dissolution.

13. Language



The present Constitution has been drafted in English which shall prevail of any translations being made.