



## Statutes

### 1. Name, registered office, financial year

1.1

The Association is named "Internationaler Verband der Naturtextilwirtschaft e.V." (International Association of Natural Textile Industry ).

1.2

The Association is registered office is in Stuttgart.

1.3

The financial year is the calendar year.

### 2. Objective

The Association's objective is to promote the general awareness, use and quality of natural textiles and articles made from natural leather and the commercial interests of its members.

The Association is not intended to run a commercial operation of its own. The Association is a professional association for its members.

### 3. Functions

The Association shall achieve the objects of its Statutes particularly by:

- a) Drawing up standards of quality (guidelines), enforcing and safeguarding them.
- b) Developing suitable product designations and safeguarding them.
- c) Promoting research and development in relation to natural textiles.
- d) Providing information about natural textiles, ranging from the source of fibres to final production and disposal.
- e) Representing the interests of the natural textile industry in relation to the general public, legal instances, public authorities and associations.
- f) Taking part in public debate and opinion-forming in order also to develop ecological awareness and behaviour.
- g) Encouraging initiatives in the textile sector, including the related social aspects.
- h) Assisting communication and cooperation between members on the basis of the Association's common objectives.
- i) Assisting members by providing specialist information, special individual consultancy and training measures.

### 4. Membership

4.1.

Members of the Association may be German and non-German corporate bodies and natural persons as well as associations between these, which, as one of their primary functions, manufacture, sell and/or dispose of/recycle natural textiles (raw materials and products) or are in any way involved therein (including consultancy, technical, scientific services), if they are prepared to comply with the pertinent guidelines issued by the Association, to use the product designations which are introduced and to actively support the Association's aims.

4.2

Sponsoring members ("Sponsors") of the Association may be natural persons or institutions who/which wish to provide active support for the Association's aims. In accordance with Nos. 6.1 and 6.4. of the Statutes, sponsors are required to attend all General Meetings but without a voting right.

4.3

The Board shall at its discretion decide upon the admission of ordinary members and sponsors in response to their application. It is not obliged to give reasons for rejection.

## **5. The members' rights**

5.1

Each member shall have the same rights and obligations.

5.2

Every member may use the planned facilities of the Association and make use of the general services which it offers to members.

5.3

Each member shall have the right to propose items on the agenda for the General Meeting, to submit motions, to cooperate in convening an extraordinary General Meeting and to play an active or passive part in ballots and elections.

## **6. The members' obligations**

Each member is required:

6.1

to provide active assistance in achieving the object and performing the functions of the Association and in enhancing them

6.2

to comply with the current guidelines (No. 3a)

6.3.

to use the current product designations, if necessary in accordance with the more detailed provisions of a licensing agreement.

6.4

to promptly pay the subscriptions and any contributions resolved upon by the General Meeting

6.5

to seek an amicable solution within the Association to any disputes with other members.

## **7. Financing the Association**

7.1

The funds required for performing the Association's functions shall be provided by subscriptions, admission fees and other revenue.

7.2

The General Meeting, acting on the Board's proposal, shall resolve upon the amount of the subscriptions, admission fees and contributions and, in the case of the sub-scriptions, for one financial year.

7.3

Subscriptions and admission fees shall be due for payment within four weeks from receipt of an invoice. The full annual subscription shall be paid for any part of a year irrespective of termination of membership.

## **8. Termination of membership**

8.1

Membership shall be terminated:

a) by way of a written notice of withdrawal,

b) in the case of partnerships with only one partner with personal liability, upon the death of that partner,

c) by a resolution concerning liquidation, a resolution concerning the institution or refusal of bankruptcy

proceedings or the institution of composition proceedings,  
d) by exclusion.

8.2

Each member may withdraw from the Association by giving six months' notice to the end of a financial year. If the subscription is increased by more than ten per cent, exceptional withdrawal at the end of the current financial year is permitted.

8.3

The General Meeting may resolve to exclude a member if, despite a formal reminder, that member does not fulfil its obligations deriving from these Statutes and the resolutions of the General Meeting, or grossly infringes the Statutes and the Association's interests, or if the member's corporate circumstances have changed so that persons other than the previous persons have a determining influence upon the member. A ballot on exclusion shall be permissible only if the member in question has first been requested within a stipulated period to express its opinions on the reasons for exclusion either in person or in writing.

8.4

Termination of membership shall not release the member from unfulfilled obligations towards the Association.

## **9. General Meeting**

9.1

The Ordinary General Meeting shall be held once during the financial year.

9.2

An Extraordinary General Meeting shall be convened within four weeks if a written request therefor is made to the Chairman of the Board by at least one-third of the members, stating the reasons.

9.3

General Meetings shall be convened in writing (including Telefax, e-mail) by the Chairman of the Board, stating the agenda and giving at least four weeks notice from the date of the postmark of transmittal respectively.

9.4

The General Meeting may establish its rules of procedure. Until rules of procedure have been adopted, the legal provisions shall apply unless these Statutes require otherwise.

9.5

The General Meeting shall have power to:

- a) Elect and dismiss members of the Board,
- b) Elect and dismiss the auditors,
- c) Elect and dismiss members of the Guidelines Committee and the Control Committee (No. 11),
- d) Resolve upon the budget and the annual financial statements,
- e) Approve the acts of the Board,
- f) Fix the subscriptions, admission fees, contributions and licence fees,
- g) Set up specialist groups of members from the same production or commercial stages,
- h) Issue rules of procedure,
- i) Exclude members,
- j) resolve upon amendments of the Statutes,
- k) Dissolve the Association.

9.6

The Board shall decide upon the agenda. The Board shall include in the agenda matters the inclusion of which are requested by a member writing before transmittal. The General Meeting shall decide upon whether to accept proposals for the agenda which have not been submitted before within the stipulated period.

9.7

The General Meeting shall be chaired by the Chairman of the Board or, if he/she be prevented, by the Vice-Chairman or the Treasurer. He/she shall fix the form of ballots and elections.

9.8

Each member shall have one vote. Resolutions shall be adopted by a simple majority of the cast valid votes. Amendments of the Statutes shall however require a two-third majority, and changes of the Association's objects shall require the consent of all members. In the event of equal votes, a motion shall be deemed to be rejected. Abstentions shall be considered as non-valid votes.

9.9

The General Meeting shall be quorate if more than half of the members are present or represented. Members shall be represented only by other members on the basis of a written proxy. A member may represent only up to two other members. If the meeting is not quorate the Board shall immediately convene a new General Meeting, allowing due notice, and that new meeting shall be quorate regardless of the number attending if the Board has indicated this in the notice of the meeting.

9.10

Amendments of the Statutes or the dissolution of the Association may not be resolved upon without due clear advance announcement in the notice of the meeting.

9.11

The results of the General Meeting shall be set down in minutes. The minutes shall be signed by the Secretary. The Board shall deliver one copy to each member.

## **10. Board**

10.1

The Board shall consist of three to seven persons being, at least, the Chairman, the Vice-Chairman/ Treasurer and the Secretary. Two Board members shall jointly represent the Association, including the Chairman.

10.2

The Board shall be elected for two years from election. Re-election is possible. The Board shall remain in office until the election of a new Board.

10.3

The General Meeting may dismiss individual members of the Board. In such an event, the term of office shall end immediately without it being necessary to elect a successor. If a Board member retires prematurely, the remainder of the Board may elect a successor for the remaining term of office of the retiring member.

10.4

The Board shall be responsible for all matters which are not allocated to the General Meeting or the committees. It shall conduct the Association's business, if necessary in accordance with rules of procedure established for it by the General Meeting. It shall in particular implement the resolutions of the General Meeting, prepare for the General Meeting, convene it and present to the General Meeting a budget for each financial year and annual financial statements, certified by the auditors, for the previous financial year.

## **11. Committees**

11.1 Guidelines Committee

The Guidelines Committee shall consist of at least five persons, including the current Chairman of the Board. Its composition should take account of all the various technical aspects of natural textiles manufacturing. The members shall be elected by the General Meeting for two years. They may be dismissed only for a serious reason. Until another member has been elected by the General Meeting, the committee shall take its decisions without the dismissed member.

The committee shall be responsible for developing, issuing and updating guidelines binding within the Association in relation to the manufacture and sale of natural textiles at all production stages. The committee shall obtain the members' written views and examine members' proposals before issuing or updating a guideline. The Board shall have the right to veto the issue of a guideline by the Guidelines Committee. Further details shall be regulated in rules of procedure.

#### 11.2 Control Committee

The Control Committee shall consist of three persons who may not simultaneously be members of the Board or members of another committee. The members shall be elected by the General Meeting for three years. They may be dismissed only for a serious reason. Until another member has been elected by the General Meeting, the committee shall take its decisions without the dismissed member. It shall be responsible for monitoring compliance with guidelines binding upon the members and for measures taken in the event of non-compliance. Further details shall be regulated in rules of procedure. As one of the conditions regulated therein, the committee shall also have the right temporarily to suspend membership rights. The member in question may appeal to the General Meeting against decisions of the Control Committee.

## 12. Auditing

### 12.1

The Board must submit the annual financial statements for each financial year to the General Meeting for its approval and discharge.

### 12.2

The annual financial statements must be certified as correct by the auditor(s) appointed by the General Meeting. The General Meeting may appoint as auditors either members of the Association or members of the legal, accountancy and management consultancy professions.

## 13. Venue

All disputes between the Association and its members shall exclusively be settled by the ordinary court of law at the Associations' place of registration.

## 14. Dissolution

### 14.1

The resolution to dissolve the Association may be adopted only at an Ordinary General Meeting. The resolution shall require a majority of two-thirds of all members.

### 14.2

The General Meeting shall resolve upon the employment of the Association's assets.

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