

1. Association Statute

On the basis of paragraphs 21 of the German Civil Code [BGB] and the then paragraphs 17 of the Trademark Act [WZG] and also the Act effective from 01.05.1992 on the scope of commercial industrial property right and the potential seamless continuance of the registered association trademark by a registered association in accordance with the BGB, the members of the Trademark Association [Warenzeichenverbandes VEM e.V.] decided on an association statute during their consultation on 17.10.1991 in Dresden

In accordance with the law on reform of trademarks and for conversion of the first Council Directive 89/104/EEC of 21.12.1998 to harmonise the legal provisions for member countries regarding trademarks (Trademark Reform Act) of 25.10.1994, this association statute was confirmed in the members' meeting held in Dresden on 30.09.1996 in the version of 11.09.1995.

§ 1 Name and headquarters

- (1) The association carries the name of "VEM Trademark Association" [Warenzeichenverband VEM]. It also carries the suffix "entered association", abbreviated to "e.V."
- (2) The association has its headquarters in Dresden.

§ 2 Purpose of the association

The object of the association is to encourage companies to manufacture or distribute electrotechnical products. The association achieves this purpose by registering, maintaining and defending trademarks for goods and services, which, in accordance with the trademark statute, serves to identify the goods and services in the members' business operations. The association is not a profit-making organisation.

§ 3 Entry in the associaton register

The association has been registered at the Dresden County Court since 3rd August 1992 under the number 1457 and the date of 12th July 1992.

§ 4 Membership

Association members can be persons, companies or legal entities with full contractual capacity. Membership is awarded on joining the association. Declaration of membership must be presented in writing. The member's meeting approves acceptance by simple majority. Joining becomes effective on presentation of a written acceptance declaration. There is no right to membership.

§ 5 Termination of membership

- (1) All members are entitled to leave the association. Leaving must be confirmed by a written declaration from the member. A four-week period of notice to the end of the respective calendar quarter must be observed.
- (2) Membership may also be terminated if mutually agreed by both the board and the leaving member. In this case, membership shall be terminated at the time indicated in the certificate.
- (3) Membership shall be terminated if the member loses its legal identity (liquidation, merging).

§ 6 Expulsion/cancellation of membership

■ (1) The members' meeting may expel a member with immediate effect by way of a resolution. The resolution requires a 2/3 majority of the present members with voting rights. Expulsion must not prove unreasonable for the affected member. Application for expulsion of the member must be presented to the association at least two weeks prior to the members' meeting. The affected member may report on the application in writing or make comment in the members' meeting. If the member is absent when the resolution is passed, the expulsion must be notified in writing.

■ (2) Members will also be withdrawn on cancellation of membership. Membership is cancelled under the following conditions:

(2.1) The member has not paid its membership fees;

(2.2) The board has sent a reminder of the outstanding fee by registered post to the members' last known address. The reminder contains a reference to potential expulsion;

(2.3) The member fails to pay the outstanding fees within three months of the reminder being issued; Membership is cancelled by way of a board resolution notified to the affected member in writing.

§ 7 Membership fees

■ (1) The association levies a membership fee. The fee must be paid annually in advance (due 1st of January of the respective calendar year) and must be paid in full for the year of joining (due on joining).

■ (2) The level of membership fee is unanimously determined by the board following consultation with the member to ascertain its financial situation. The ultimate decision is taken in the members' meeting.

§ 8 Bodies of the association

The association is made up of the board (§ 9 of the statute) and the members' meeting (§ 10 of the statute).

§ 9 Board

■ (1) The board is made up of the chairman, the secretary and the treasurer. Every two board members represent the association jointly (board, i.e. number of board members with authority to represent within the meaning of § 26 of the BGB).

■ (2) The board is appointed for a period of two years by way of a resolution passed in the members' meeting. It remains in office until the next board is appointed in accordance with the statute.

■ (3) The board is responsible for concluding contracts of employment. Contracts of employment with a board member shall also be signed by the non-participating board members.

§ 10 Members' meetings

■ (1) Members' meetings are convened by the board in writing with a two-week period of notice. Notice of the meeting must indicate the object of the resolution (agenda). The period begins with the day on which the invitation is sent to the member's last known address.

■ (2) A members' meeting is convened as and when required in the interest of the association and at least once per calendar year. Should board members withdraw, the last remaining member is entitled and obliged to convene a members' meeting in which a new board will be elected.

■ (3) The members' meeting passes its resolutions by way of simple (and/or insofar as proposed with the qualified) majority of the present members. Abstained votes are treated as though the affected members were not present.

■ (4) Each member can be represented in the members' meeting by exercising its membership rights, specifically for the passing of resolutions. A member can be represented by another member or legal entity if proof of adequate authority can be furnished. Several members can appoint the same representative.

§ 11 Liquidation of the association

All members of the association must agree to it being liquidated. Members who are absent from the meeting shall present their agreement in writing.

§ 12 Place of business

The association has one place of business headed by a Managing Director. The Managing Director runs the day-to-day business of the association with authority derived from the board. The board may assume responsibility for the role of the Managing Director and the place of business.

§ 13 Recording of members' resolutions

The resolutions passed in the members' meetings are recorded in a written document. The document must be signed by the chairman of the meeting.

Dresden, 26th November 1999.

Signatures of the three boards

This statute was last changed in the members' meeting held in Dresden on 26th November 1999.

This association statute shall remain in force until changed by way of a members' resolution.