



# Articles of Association of the European Chamber of Commerce in Korea

## 1. Name & Office

1.1 The name of the association shall be in English “European Chamber of Commerce in Korea” (hereafter referred to as the “ECCK”).

1.2 The ECCK’s name in Korean is “주한유럽상공회의소” (Juhan Europe Sanggong Hoeuiso).

1.3 The principal office of the ECCK shall be in Seoul, Republic of Korea.

1.4 The ECCK shall operate by and be governed by these Articles of Association, any management guidelines established by its Board of Directors, and by the Laws of the Republic of Korea.

## 2. Purpose

2.1 The ECCK shall promote economic and social relations specifically between the European Union, the European Free Trade Association and the Republic of Korea. The European Union and the European Free Trade Association in the ECCK Articles of Association include Member States on the date of ECCK establishment, December 3, 2012.

2.2 The ECCK shall apply for a tax registration number and shall ensure that all taxable activities are reported in due time and in full to the relevant Korean tax authorities.

2.3 The ECCK shall collect and distribute information on the economic situation in the European Union, the European Free Trade Association and the Republic of Korea, and report on industrial and commercial developments therein in the form of circulars, annual reports, newsletters, press conferences, seminars and other media or events.

2.4 The ECCK will represent the economic interest of companies or businessmen from the European Union and the European Free Trade Association by engaging with government authorities and other organizations in the European Union, the European Free Trade Association and the Republic of Korea. The ECCK shall not be engaged in any activities of political or ideological nature.

### 3. Funds and Assets

3.1 As the ECCK is a non-profit organization, it will not aim to generate profits. Revenues raised shall be used to cover the costs of the ECCK to accomplish the roles and responsibilities of the ECCK in accordance with these Articles of Association. The funds and assets of the ECCK may only be used in a manner consistent with the roles and responsibilities of the ECCK as set out in these Articles of Association. The ECCK adheres to the principles of prudent and economic use of its resources.

3.2 The ECCK may engage in activities on behalf of members and of non-members.

3.3 The ECCK finances its operation mainly by

3.3.1 Annual membership fees

3.3.2 Membership registration fees at the time new members join the Chamber

3.3.3 Committee membership fees

3.3.4 Event income

3.3.5 Advertisements

3.3.6 Fees for services

3.3.7 Others

3.4 The ECCK operates under an annual budget. In order to ensure compliance with and adherence to the annual budget, the ECCK maintains books and records based on Generally Accepted Accounting Principles. The accounting procedures will be maintained in line with Korean Generally Accepted Accounting Principles (K-GAAP).

### 4. Liability

4.1 The liability of the ECCK is limited exclusively to the extent of the ECCK's assets.

4.2 There is no personal liability on the part of any of the individual members of the Board of Directors or Members of the ECCK except for cases of intentional or gross negligence.

4.3 In the event the ECCK receives funds for specific purposes or programs from third parties, these funds must be accounted in a separate cash ledger deposited in a separate bank account.

## 5. Membership

5.1 All membership applications are to be sent to the ECCK. The Board of Directors shall review all membership applications within a reasonable time period. The Board of Directors shall have absolute discretion on all membership applications and their decision shall be confidential and final.

5.2 In order to guarantee the focus on European business interests, the Board of Directors shall ensure that, at all times, more than 50% of the Corporate members of the ECCK are headquartered in the European Union or the European Free Trade Association.

5.3 A member may face expulsion from the ECCK upon a resolution made by a two-thirds (2/3) vote of the Board of Directors.

### 5.4 Types of Membership

5.4.1 Corporate Members may be companies or legal entities duly registered in Korea. Corporate Members in good standing exercise the right to take motions and vote through their duly designated representatives. For the sake of clarity, “good standing” means that all membership, registration and any other relevant dues are fully paid. Voting rights may be transferred to another Corporate Member by means of a written authorization (proxy and power of attorney). Such written authorizations shall be submitted to the President before the beginning of a General Meeting, at the latest. No more than five (5) votes shall be transferred to a single Corporate Member. European Union and European Free Trade Association nationals representing Corporate Members as well as other nationals representing Corporate Members headquartered in the European Union or European Free Trade Association may be elected as Committee Chairpersons, admitted to ECCK Committees, and elected as members of a Board.

5.4.2 Overseas Members may be companies or legal entities not registered in the Republic of Korea. Overseas Members are entitled to the full range of services provided by the ECCK. Overseas Members shall have no voting rights and are not eligible to become Committee Chairperson nor be part of any ECCK organ (e.g. Board of Directors or Advisory Board).

5.4.3 Individual Members are individuals with citizenship of a member state of the European Union or the European Free Trade Association. Individual Members are entitled to the full range of services provided by the ECCK. Individual Members shall have no voting rights and are not eligible to become Committee Chairperson nor be part of any ECCK organ (e.g. Board of Directors or Advisory Board).

5.4.4 Non-profit Organization Members are associations or foundations relating to science, religion, charity, art, social intercourse, or otherwise relating to enterprises not engaged for profit or gain. Non-profit Organization Members are entitled to the full range of services provided by the ECCK. Non-profit Organization Members shall have no voting rights and are not eligible to become Committee Chairperson nor be part of any ECCK organ (e.g. Board of Directors or Advisory Board).

5.4.5 Honorary President and Honorary Members could be any person, company, legal entity, organization, which has made a distinguished contribution in furthering the purposes of the ECCK and being appointed by the Board of Directors. Honorary Members may attend all public events organized by the ECCK and may be admitted to any Committee. Honorary Members shall have no voting rights and are not eligible to become Committee Chairperson nor be part of any ECCK organ (e.g. Board of Directors or Advisory Board). Honorary Members are exempted from membership fees.

## 6. Members' Obligations

6.1 Members shall support the ECCK objectives and pay the registration and annual fees duly established by the Chamber. All Members undertake to observe the Articles of Association and the decisions made by the Board of Directors or Management of the ECCK.

6.2 If a Member resigns, his dues for the following calendar year are payable, if such resignation is not preceded by three (3) months prior notice.

## 7. Members' Meeting

7.1 The ECCK shall have an Annual General Meeting of Members and may have Extraordinary General Meetings of Members.

7.2 The Annual General Meeting of Members shall be held within the first two (2) months of each fiscal year for the preceding fiscal year.

### 7.3 An Extraordinary General Meeting of Members must be convened

7.3.1 If the Board of Directors decides so, or

7.3.2 If at least twenty five percent (25%) of the Corporate Members submit a written application to the President stating the agenda of the requested Extraordinary General Meeting of Members and a reasonable explanation therefor. An Extraordinary General Meeting of Members shall be convened within due time, but at the latest, within four (4) weeks after submission of an appropriate written application.

### 7.4 The Members Meeting shall

7.4.1 Designate the Outside Auditor;

7.4.2 Adopt the reports by the Board of Directors, the Treasurer and the Outside Auditor which audited the ECCK;

7.4.3 Elect all members of the Board of Directors;

7.4.4 Exonerate the Board of Directors

7.4.5 Approve the annual budget of the ECCK;

7.4.6 Resolve on any amendment of the Articles of Association;

7.4.7 Resolve on the dissolution of the ECCK; and

7.4.8 Resolve on any matter submitted by the Board of Directors.

7.5 The Board of Directors shall convene the General Meeting of Members, regardless of being “annual” or “extraordinary.” Invitations for a General Meeting of Members shall be sent by ordinary mail, e-mail or ECCK circulars. The invitation to a General Meeting of Members must contain the agenda and be sent at least two (2) weeks prior to the proposed date for the General Meeting. The Chairperson shall open, chair and close any General Meeting of Members. If the Chairperson is indisposed, a Vice Chairperson shall act for the Chairperson. Decisions shall only be made on matters on the agenda.

7.6 A quorum for a General Meeting of Members exists if ten percent (10%) of the Corporate Members are present or represented by a Power of Attorney or Proxy. In the absence of a quorum, another General Meeting of Members shall be convened within three weeks. That General Meeting of Members shall form a quorum irrespective of the number of Corporate Members present or represented. The fact that the quorum requirement no longer applies must be indicated in the invitation to such a meeting.

7.7 A General Meeting of Members shall take resolutions by a simple majority of the Corporate Members present or duly represented. In case of (i) an amendment of the Articles of Association, or (ii) dissolution of the ECCK, the minimum requirement for the quorum shall be twenty-five percent (25%) of the Corporate Members present or duly represented, and the resolution shall be taken with a two-thirds (2/3) majority.

7.8 Requests for a secret ballot shall be made by a simple majority. For every General Meeting of Members, minutes shall be prepared and signed by the Chairperson or the chairing Vice Chairperson and at least one more member of the Board of Directors.

7.9 The following circumstances negate the voting right of the Chairperson or members:

7.9.1 Where the Chairperson or a member or members initiates legal action against the ECCK;

7.9.2 Where the Chairperson or member's interests conflict with that of the ECCK pursuant to matters of monetary assets.

## 8. Organs of the Association

8.1 Election of Chairperson, Vice Chairperson, Directors, Trustee and Treasurer

8.1.1 Chairperson, Vice Chairpersons, Directors, Trustee, and Treasurer shall be elected at the Annual General Meeting.

8.1.2 Nominations shall be submitted to the President at least seven days before the Annual General Meeting in the election year.

8.1.3 The election for the positions of Chairperson, Vice Chairpersons, Directors, Trustee, and Treasurer shall be conducted by secret ballot.

8.1.4 The candidate who receives the highest number of votes shall be elected.

8.1.5 Chairperson, Vice Chairpersons, Directors, Trustee, and Treasurer shall hold office for two years and shall be eligible for two (2) times re-election.

8.2 The Board of Directors

8.2.1 The Board of Directors shall consist of one (1) Chairperson, three (3) Vice Chairpersons, three (3) Directors, one (1) Trustee, and one (1)

Treasurer in addition to President as a non-voting member. The Chairperson and at least two of the Vice Chairpersons as well as at least three among Directors, Treasurer, and Trustee shall be nationals of a Member State of the European Union or the European Free Trade Association. The members of the Board of Directors, except the President, are elected to a two (2) year term.

8.2.2 The following characteristics disqualify an individual from becoming a member of the Board:

8.2.2.1 A minor or a person who is incompetent or quasi-incompetent;

8.2.2.2 A person who has been declared bankrupt;

8.2.2.3 A person who has been sentenced to imprisonment without prison labor or heavier punishment and for whom five years have not elapsed since he/she completed the sentence (including where he/she is deemed to have completed the sentence) or was exempted from the sentence; and

8.2.2.4 A person who has been granted a stay of execution of a sentence to imprisonment without prison labor or heavier punishment and who is under a suspended sentence.

8.2.3 In order to pass a decision within the Board of Directors, a minimum of five (5) members with voting right must be present, upon which the vote will be decided by a simple majority. In the event of making amendments to this Articles of Association, a five-ninths (5/9) majority of the members of the Board of Directors with voting rights should approve its submission to the General Meeting.

8.2.4 The members of the Board of Directors, except President, shall not be compensated with any salary.

8.2.5 The Board of Directors shall manage the business and activities of the ECCK, approve the membership applications, review the financial situation of the ECCK and approve the financial statements of the ECCK.

8.2.6 The Board of Directors shall supervise the President on behalf of the Members of the ECCK. The Board shall approve the annual budget of the ECCK on request from the President. The Treasurer shall have, at all regular business hours of the ECCK, full access to all financial data of the ECCK.



8.2.7 The Board of Directors shall report to the General Meeting of Members and the Advisory Board on its activities and on the activities of the ECCK. It shall review and may alter membership fees for the coming calendar year, if justifiable.

8.2.8 The Board of Directors shall receive the report of an Outside Auditor on the ECCK books and accounts, and shall report thereon to the Annual General Meeting of Members.

8.2.9 The Board of Directors meets on monthly basis, but at least once per calendar quarter, if the activities of the ECCK may allow so (e.g., during summer holidays).

8.2.10 The Chairperson is the official representative of the Board of Directors as well as of the ECCK. The Chairperson shall chair the Board of Directors Meeting, the Advisory Board and all General Meetings of Members.

8.2.11 A Vice Chairperson shall take over the duties of the Chairperson during the Chairperson absence or upon the request of the Chairperson.

8.2.12 The role of the Treasurer shall be defined as follows:

8.2.12.1 Review of the ECCK's assets.

8.2.12.2 Arising from such review, should any wrongdoings or mismanagement be found, he/she shall render a report to the Board of Directors and General Meeting for correction as well as report to the competent authorities.

8.2.12.3 Request a convening of the General Meeting or the Board of Directors meeting to report and request correction of the wrongdoings or mismanagement

8.2.12.4 State opinions to the Board of Directors or General Meeting in regards to the ECCK's assets and operations.

8.2.13 Should the ECCK be unable to convene its General Meeting due to extraordinary circumstances, resulting in the term expiration of a member of the Board of Directors without having a successor, the incumbent member shall continue to exercise his/her authority and responsibility until the next General Meeting.



8.2.14 Should a member of the Board of Directors become vacant during his/her term, an Extraordinary General Meeting may be convened to elect a replacement before the next Annual General Meeting. The Board of Directors may elect a Corporate Member as a Board member with a unanimous vote except the vacant Board member. The elected shall carry out duties and responsibilities for the remainder of his/her term.

8.2.15 The Head of the Trade Section of the Delegation of the European Union to the Republic of Korea is invited to attend the Board of Directors as an observer so as to be informed of ECCK activities, communicate issues of common interest, or coordinate where needed. The observer shall not be involved in the management of the ECCK, have no voting rights and shall not be liable for any activity of the ECCK.

### 8.3 The President

8.3.1 The Board of Directors shall appoint the President. The President shall manage the ECCK's daily affairs, develop and implement the strategy and the policies of the ECCK, in cooperation with the Board of Directors, and shall plan the program, schedule and all ECCK events and activities. The President shall not be employed by another entity other than the ECCK. The employment contract shall specify the actual terms.

8.3.2 No one shall be appointed President (or Vice President) who had been a Secretary-General (or Deputy Secretary-General) in 2011 or earlier with the European Union Chamber of Commerce in Korea.

### 8.4 The Advisory Board

8.4.1 The Advisory Board shall consist of representatives of the business community of each Member State of the European Union or the European Free Trade Association. No member of the Board of Directors shall be a member of the Advisory Board. For a Member State of the European Union or the European Free Trade Association, which has established its national Chamber of Commerce in the Republic of Korea, such a Chamber shall be asked to appoint a business representative of that Member State. If a Member State of the European Union or the European Free Trade Association has not established its national Chamber of Commerce in the Republic of Korea, the Ambassador to the Republic of Korea of that country shall be asked to appoint a business representative of that Member State. Members of the Advisory Board shall serve a two-year term.

8.4.2 The Advisory Board shall meet on a quarterly basis at the invitation of the Board of Directors. The Advisory Board shall be informed by the Board of Directors on the activities of the ECCK, including, but not limited to, the plans for future activities and events. The Advisory Board shall be entitled to provide suggestions concerning the activities of the ECCK. The Advisory Board shall not perform any management role.

8.4.3 The Advisory Board shall assist the Board of Directors and the President in coordinating and encouraging communication between the ECCK and the national Chambers of Commerce of Member States of the European Union.

## 9. Accounting

9.1 The income of the ECCK shall be defined as that arising from annual membership fees, membership registration fees and any other sources as directed by the Board of Directors.

9.2 The accounting for the ECCK shall follow the fiscal year as defined by the Korean government (January 1st to December 31st).

## 10. Supplementary Clauses

### 10.1 Outside Auditor

10.1.1 A Korean accounting firm of good reputation and standing (the Outside Auditor) will audit the books and accounts of the ECCK each fiscal year.

10.1.2 The Outside Auditor shall be designated by the Annual General Meeting of Members and the result of the audit taken shall be presented to the Annual General Meeting of Members.

10.2 In the event of the dissolution of the ECCK, the General Meeting shall pass a resolution which will designate a Liquidator to liquidate all remaining assets.

## 11. Effective Date and Implementation

These Articles of Association are declared effective in March 2019 and replace the Articles of Association issued in November, 2016.