

STATUTES OF THE PHARMACEUTICAL GROUP OF THE EUROPEAN UNION, INTERNATIONAL NON- PROFIT ASSOCIATION UNDER BELGIAN LAW

Chapter I: Provisions incorporating the Association

Article 1: Name

An International non-profit Association is formed by virtue of the provisions laid out in Title III of the Belgian law dated 27 June 1921 concerning non-profit associations, international non-profit associations and foundations (articles 46-57) bearing the name “Pharmaceutical Group of the European Union” abbreviated as PGEU, hereafter referred to as “the Association”. The Association may also be referred to by using the following translations in the various Member States of the European Union:

ZUSAMMENSCHLUSS DER APOTHEKERINNEN UND APOTHEKER DER
EUROPÄISCHEN UNION
GROEPERING VAN APOTHEKERS VAN DE EUROPESE UNIE
DEN EUROPAEISKE UNIONS FARMACEUTISKE GRUPPE
GRUPO FARMACEUTICO DA UNIAO EUROPEIA
EUROOPAN UNIONIN APTEEKKIJÄRJESTÖ
ENOSI EVROPEON FARMAKOPOION
GROUPEMENT PHARMACEUTIQUE DE L'UNION EUROPEENNE
ASSOCIAZIONE FARMACEUTICA DELL'UNIONE EUROPEA
AGRUPACION FARMACEUTICA DE LA UNION EUROPEA
EUROPEISKA UNIONENS FARMACEUTISKA GROUPP
SVAZ LÉKÁRNÍKU EVROPSKÉ UNIE
EUROOPA LIIDU FARMAATSIAGRUPP
AZ EURÓPAI UNIÓ GYÓGYSZERÉSZETI CSOPORTZA
EIROPAS SAVIENĪBAS FARMACEITISKĀ GRUPA
EUROPOS SAJUNGOS FARMACIJOS GRUPĖ
ZVÁZ LEKÁRNIKOV EURÓPSKEJ ÚNIE
GRUPA FARMACEUTYCZNA UNII EUROPEJSKIEJ

followed by the phrase, in the Community language in question, corresponding to the French “Association Internationale Sans But Lucratif de Droit Belge” (International Non-profit Association under Belgian law).

In all instruments and documents issued by the Association and addressed to third parties, in particular letters, invoices, advertisements and various publications, the Association will always be referred to by the name PHARMACEUTICAL GROUP OF THE EUROPEAN UNION, INTERNATIONAL NON- PROFIT ASSOCIATION UNDER BELGIAN LAW, as well as by the aforementioned translations in the various community languages. The said instruments and documents issued by the Association shall also bear the address of its registered office.

Article 2: Registered office

The registered office is located at Rue du Luxembourg 19-21 B-1000, Brussels. It may be transferred to any other location in Belgium within the boundaries of the Brussels Capital Region by a decision

taken by the General Assembly, published in the appendices to the Belgian Official Journal (« Moniteur Belge »).

Article 3: Duration

The Association is formed for an indefinite duration. It can be dissolved at any time, in accordance with the law and the present statutes.

Article 4: Purpose

The purpose of the Association is to serve and promote the common interests of the community pharmacists at European level. Services of a scientific and teaching nature are also rendered in favour of the PGEU Members.

The Association identifies the principal functions of community pharmacists and promotes their role in the interests of Public Health.

In particular, the main purpose of the Association is to collect and study regulatory texts and projects adopted by the European Union and its Member States, to collect and study statistical, legal, social and economic data from the various countries, to carry out comparative studies and to make proposals.

The Association represents an effective means of communication between community pharmacists, the scientific community and the regulatory authorities at national, international and European Union level.

The Association acts solely at European and international levels. Any action by the Association at the level of a Member State of the European Union may only be taken at the unanimous request of all Members of the Association from the Member State concerned.

The Association examines all technical and operational aspects relating to the activities of its Members, formulates proposals for measures to improve these aspects and undertakes to promote said proposals in dealings with the regulatory authorities and the international bodies or national bodies, at the request of all Members of the Association from one Member State, with which it communicates.

The Association cooperates with other national, international and European organisations with similar interests.

The Association represents and promotes the common interests of its Members and represents the profession in dealings with European and international authorities.

To this end, the precise tasks of the Association are inter alia as follows:

- a. to keep the Members of the Association informed as to the regulations and draft or current legislation concerning the activities of pharmacists at national, international and European Union level and, in particular, to examine the effects of the regulations and legislation in question;
- b. to formulate and represent the opinions of Members of the Association in a coordinated manner;

- c. to inform Members of the recommendations made by the Association, applicable to the position which Members should adopt in their common interest;
- d. to compile and maintain a database of professional information;
- e. by organising regular conferences and seminars, by circulating leaflets and letters or by any other means, to provide and exchange scientific information, knowledge and services relating to the profession of pharmacist.

Chapter II: Admission, Resignation, and Expulsion

The Association has two categories of Members: Ordinary Members and Observer Members.

Article 5: Conditions for admission as an Ordinary Member of the Association

§1.

Persons, duly constituted and organised in accordance with the law and customs of their country of origin, who form national professional organisations in Member States of the European Union which promote the interests of community pharmacists established in their respective States may be admitted as Ordinary Members by decision of the General Assembly.

If, for legal reasons, no professional organisation of established community pharmacists exists in a Member State of the European Union, the competent professional organisation of pharmacists, the majority of members of which are community pharmacists or a State enterprise authorised to represent the interests of community pharmacists in accordance with the provisions provided in their statutes may exceptionally be admitted as an Ordinary Member of the Association, provided the organisation pursues the same objectives as the Association.

§2.

If an organisation is admitted as an Ordinary Member by virtue of the procedure described in paragraph 2 of § 1 and another professional organisation is subsequently created in accordance with paragraph 1 of § 1, the General Assembly will consider the application of the latter organisation for admission without applying § 4.

§3.

Organisations within the definition in §1 of this Article may apply for membership. Applications will be considered by the General Assembly. The General Assembly will decide on such application by a majority of two-thirds of the votes cast by the Delegations of Ordinary Members present or represented at the General Assembly, provided the applicant has undertaken in advance to be bound by the provisions of the then current Statutes if admitted to membership.

§4.

Admission of an additional national organisation requires the prior approval of the Delegation of the country of origin of such an organisation, as defined in Article 9 §2.

§5.

Admission of an Ordinary Member, who has being expelled following Article 8, shall only be considered after a period of three years following the decision regarding the expulsion taken by the General Assembly.

§6.

In the case that the country, in which an Ordinary Member is established, ceases to be a Member State of the European Union, that Ordinary Member becomes automatically an Observer Member.

Article 6: Conditions for admission as an Observer Member of the Association

§1.

Persons, duly constituted and organised in accordance with the laws and customs of their country, who form national professional organisations of European countries which are not Member States of the European Union, which represent and promote the interests of community pharmacists in their respective countries may be admitted as Observer Members of the Association, by decision of the General Assembly.

If, for legal reasons, no professional organisation of established community pharmacists exists in a European country, which is not a Member State of the European Union, the competent professional organisation of pharmacists, the majority of members of which are community pharmacists or a State enterprise authorized to represent the interests of community pharmacists in accordance with the provisions provided in their statutes, may exceptionally be admitted as an Observer Member of the Association, provided the organisation pursues the same objectives as the Association.

§2.

If an organisation is admitted as an Observer Member of the Association by virtue of the procedure described in paragraph 2 of §1 of this Article and another professional organisation is subsequently created in accordance with paragraph 1 of §1 of this Article, the General Assembly will consider the application for admission of the latter organisation without applying §4.

§3.

Organisations within the definition in §1 of this Article may apply for membership. Applications will be considered by the General Assembly. The General Assembly will decide on such application by a majority of two-thirds of the votes cast by the Delegations of Ordinary Members present or represented at the General Assembly, provided the applicant has undertaken in advance to be bound by the provisions of the then current Statutes if admitted to membership.

§4.

Admission of an additional national organisation requires the prior approval of the Delegation of the country of origin of such an organisation, as defined in Article 9 §2.

§5.

Any organisation admitted by virtue of the provisions of §1, §2, §3 and §4 of this Article is not guaranteed Ordinary membership of the Association in the event of the European State concerned becoming a Member State of the European Union. Any application for Ordinary Membership by an Observer Member, will be considered by the General Assembly in accordance with Article 5 of these Statutes.

§6.

The Observer Members shall have the following rights:

- To receive all papers circulated to Ordinary Members of the Group;
- To take part in all discussions at a General Assembly;
- To appoint one member of any working group established in accordance with the Internal Rules;
- To vote on the annual contribution to be paid by Observer Members.

§7.

Admission of an Observer Member, who has being expelled following Article 8, shall only be considered after a period of three years following the decision regarding the expulsion taken by the General Assembly

Article 7: Resignation

Any Ordinary or Observer Member of the Association may resign from the Association, effective on December 31 of the current year, by giving at least three months' notice by registered letter sent to the Secretary General, who shall ensure that the various members of the Executive Committee are duly notified.

A resigning Member shall be entitled neither to a refund of its subscription fee nor a share in social assets, nor to any other distribution of social assets, nor to receive any other financial distribution effected by the Association.

The resigning member must pay its subscription fees and any other amounts still owing until the end of the calendar year in which notice is given.

Article 8: Expulsion

Non-payment of subscription fees in the year in which they are due or failure by an Ordinary or an Observer Member to comply with the provisions of the present statutes, in particular, as a matter of law or fact, with Articles 5 and 6 of these Statutes, may result in expulsion.

Decisions regarding expulsion may only be taken by the General Assembly deliberating in accordance with rules set out in the last three paragraphs of Article 19. The Member whose expulsion is being proposed will be heard by the General Assembly which is to decide upon its expulsion. That Member may not vote on the question of its expulsion.

As in the case of resignation, there shall be no refund of the subscription fee, no share in the social assets nor any other distribution of social assets, nor any other financial distribution.

Subscription fees shall remain due on a pro rata basis until the date the expulsion takes effect.

The expelled Member must pay its subscription fees and any other amounts still owing until the actual date of its expulsion.

Chapter III: Organisation of the Association

The organs of the Association are:

1. the General Assembly, and
2. the Executive Committee.

Article 9: The General Assembly

§1. Its Powers

As the supreme organ of the Association, the General Assembly shall decide on all important matters. It has the authority to perform all legal acts which are useful or necessary to achieve the purpose of the Association, insofar as these acts do not come within the competence of the Executive Committee as specified in article 10 § 3 of these statutes.

The following powers are reserved to the General Assembly:

- the election of the President and Vice-President
- modifications to the statutes;
- the appointment of the Secretary General;
- the determination, in accordance with Article 12 and Article 13, of the amount of the contributions payable;
- the relocation of the registered office ;
- the discharge to be given to the Executive Committee ;
- the admission and expulsion of Members ;
- the dissolution of the Association ;
- the budget and approval of the accounts ;
- the adoption of and amendment to the Internal Rules.

§2. Composition of the General Assembly

The General Assembly is composed of Ordinary Members and Observer Members. The Members attend the General Assembly through delegates, which are the representatives of the Members. The delegates of the Members of a country form a Delegation.

Each Delegation is led by a Head of Delegation.

The Heads of Delegations shall be community pharmacists.

If necessary, the Members have the right to appoint experts to accompany a Delegation at a General Assembly.

Following a decision by the Executive Committee, organisations or persons specially invited may take part in the discussions of the General Assembly.

§3. Chairmanship of the General Assembly

The General Assembly is chaired by the President. Should the President be unable to attend, the Vice-President shall replace him, or in his absence, the General Assembly shall elect a Chairman for that meeting.

§4. Meetings of the General Assembly

A General Assembly shall be called at least three times a year by the President and shall meet at the registered office or at the location indicated in the notice to the General Assembly.

One of these three General Assemblies shall be organised by the Delegation which appoints the President.

A special General Assembly shall be convened if requested by one third of the Delegations of Ordinary Members.

§5. Notice to be given of General Assemblies

Notices stating the date, time and venue and accompanied by the Agenda for the General Assembly shall be sent by post to all Members of the Association to their last known addresses set out in the register of the Association, four weeks before the date of an ordinary General Assembly and at least two weeks before the date of a special General Assembly. Shorter notices may be given in circumstances which the Executive Committee considers to be an emergency.

Subject to the prior approval of the Executive Committee, electronic means may be used to discharge the obligations set out in the above paragraph.

§6. Voting rights

Each Delegation of Ordinary Members shall have one vote.

A Delegation of Observer Members has no right to vote unless the Internal Rules provide for an exception to this rule.

One Delegation can represent no more than one other Delegation at any General Assembly on the basis of a written proxy, which sets out the specific issues for which a mandate is given, delivered to the Secretary General at or before that General Assembly.

If the notice for a General Assembly so permits, votes may be cast via letter or fax, addressed to the Secretary General and received before the meeting. Voting by mail (letter or fax) is permitted in cases where full documentation has been circulated with the agenda.

Members of the Executive Committee shall participate in the discussions of the General Assembly, but shall not have the right to vote in their capacity as members of the Executive Committee.

The Secretary General shall participate in the deliberations of the General Assembly but does not have the right to vote.

§7. Quorum and Majority

Unless these statutes require a larger quorum, the General Assembly is validly constituted when at least half of the total number of Delegations of Ordinary Members are present.

A Delegation of the Ordinary Members of a Member State of the European Union is deemed present at the General Assembly if the delegate(s) of at least one Ordinary Member is (are) present.

If a General Assembly is not quorate, the Executive Committee will give notice of a special General Assembly, with the same Agenda to be held within three weeks of the date of the General Assembly which was not quorate. A quorum is not required at this meeting unless the Executive Committee decides otherwise.

All decisions are taken by a simple majority of votes, except where these statutes require qualified majorities, or unanimity. Abstentions are not counted as votes.

The Delegations of Ordinary Members present or represented at a meeting of the General Assembly must reach a unanimous decision in order to decide to:

- modify the purpose of the Association;

- modify the number of votes allocated to each of them;
- modify the decision-making conditions;

Any other modification to these statutes may be adopted by a two-thirds majority of the votes cast by the Delegations of Ordinary Members present or represented at the meeting.

Resolutions relating to the fundamental conditions governing the exercise of the profession of pharmacist in a Member State of the European Union, must be adopted by unanimous vote of the Delegations of Ordinary Members present or represented at a General Assembly. If unanimity is not achieved, the final decision shall be referred to a subsequent General Assembly during which the decision may be taken with a majority of two-thirds of the votes cast by the Delegations of Ordinary Members present or represented at the General Assembly. However, in this case, the resolutions adopted shall not be binding upon the Ordinary Members the Delegations of which were present or represented at the General Assembly but did not approve them.

§8. Minutes

The resolutions passed by the General Assemblies are the subject of minutes. The minutes are signed by the President and the Secretary General and held in a special register. The minutes of meetings of the General Assembly will contain details of Delegations' votes cast by proxy or by mail (letter, fax or email). All Members will receive copies of these minutes within 14 days of each meeting.

The register of minutes will be held at the registered office of the Association, where it may be consulted and copied by all Members of the Association.

Article 10: the Executive Committee (raad van bestuur/conseil d'administration)

§1. Composition of the Executive Committee

- 1.1 The Executive Committee shall comprise nine members, the President and Vice- President elected under the provisions of Article 10.2 and seven other members appointed in accordance with the procedure set out below.
- 1.2
 - a. The members of the Executive Committee shall be community pharmacists. This shall be without prejudice to the right of additional persons, who may not be community pharmacists, to attend meetings of the Executive Committee in an advisory capacity, provided such persons are authorised to do so by the relevant Delegation.
 - b. The members of the Executive Committee shall be appointed based on nominations made by the various Delegations of Ordinary Members and according to the sequence indicated in the table , set out in Appendix 1 (Executive Committee Composition table)
- 1.3 When an organisation of a Member State which has not before that time been represented within the Association, or has been represented as an Observer Member, is admitted as a new Ordinary Member, that Member State shall be inserted in the table set out in Appendix 1 at the first vacant space in one of the three country baskets depending on the population size of the new Member.

When organisations from two or more Member states are admitted as Ordinary Members at the same General Assembly, the Delegations of these new Ordinary Members shall propose to the General Assembly the order in which they wish the Member States concerned to be inserted in the next vacant places in the Executive Committee composition table set out in Appendix

If after one year of the General Assembly at which they were admitted as Ordinary Members, the Delegations of new Ordinary Members have not proposed to the General Assembly of the order in which they wish their Member States to be inserted in the Executive Committee composition table set out in Appendix 1, the Member States shall be inserted in the date order in which the first application of an organisation from each Member State for admission as an Ordinary Member was received by the Secretary General. If the requests of two or more organisations from different Member States were received by the Secretary General on the same day, the Member States concerned shall be inserted in Appendix 1 in alphabetical order of the official names of the Member States in their own languages.

The positions allocated for a member in Appendix 1, that are not taken by Delegations of Ordinary Members shall be taken by the Delegations of the Member States that next appear on the list.

- 1.4 The term of office of each member of the Executive Committee shall be a maximum of three years, ending on 31 December in the relevant year. The term of office of new members of the Executive Committee shall commence on 1 January
- 1.5 At 31 December in each year, the three members of the Executive Committee who have served for the longest period shall retire from membership of the Committee and be replaced by three new members in the order set out in the table in Appendix 1.

§2. The President and the Vice-President

- 2.1 Subject to Article 2.4, the President and the Vice-President are elected by the General Assembly at the penultimate General Assembly in each calendar year, the eligible candidates being the six members of the Executive Committee by country who have served longest on that Committee.
- 2.2 The Delegations of Ordinary Members elect the President and Vice-President by secret ballot in a single election procedure.
- 2.3 If, in the first ballot, one candidate receives a majority of the votes cast, that candidate shall be elected President. The candidate who receives the next highest number of votes shall be elected Vice-President. If in the first ballot, one candidate receives a majority of the votes cast and two or more other candidates receive the next highest number of votes, the candidate(s) in this group who have served for the shortest period on the Executive Committee shall be eliminated and if only one candidate remains, that candidate shall be elected Vice-President. If two candidates receiving the same number of votes remain and they have served for the same period on the Executive Committee, a further ballot for these candidates will be held and the candidate receiving the higher number of votes cast will be elected Vice-President. In the event that the two candidates again receive the same number of votes cast, the meeting will be adjourned for fifteen minutes after which a further ballot involving these two candidates will be held and the candidate receiving the higher number of votes cast shall be elected Vice-President. In the event that the two candidates again receive the same number of votes cast, this procedure shall be repeated until a candidate receives the majority of the votes cast.
- 2.4 In the event that no candidate receives a majority of the votes cast in the first ballot, the candidate with the lowest number of votes cast shall be eliminated and a further ballot held of the remaining candidates. If two or more candidates each have the lowest number of votes cast,

the candidate(s) in this group who have served for the shortest period on the Executive Committee shall be eliminated. A further ballot shall then be held and this procedure repeated until one candidate receives a majority of the votes cast. That candidate shall then be elected President and the candidate with the next highest number of votes shall be elected Vice-President. In the event that, in such a further ballot, one candidate receives a majority of the votes cast and two other candidates receive the same number of votes, the candidate with the majority of votes cast shall be elected president and, of the two others who have received the same number of votes, the candidate who has served for the longest period on the Executive Committee shall be elected Vice-President. If both have served for the same time on the Executive Committee, a further ballot will be held for these two candidates and the candidate receiving the higher number of votes cast shall be elected Vice-President. In the event that the two candidates again receive the same number of votes cast, the meeting will be adjourned for fifteen minutes after which a further ballot involving these two candidates will be held and the candidate receiving the higher number of votes cast shall be elected Vice-President. In the event that the two candidates again receive the same number of votes casts, this procedure shall be repeated until a candidate receives the majority of the votes cast.

2.5 In the event that only one eligible Executive Committee member wishes to stand for election as President, the Vice President shall be nominated by the Executive Committee from among the members of the Executive Committee. In the event that no eligible candidate wishes to stand for election as President, the next longest serving member or members of the Executive Committee shall be eligible to stand for election as President.

2.6 The mandate of the President and Vice-President shall be one calendar year from 1 January and may be repeated once only, subject to compliance with Article 10.1.

§3. Tasks

The main tasks of the Executive Committee are, with the assistance of the Secretary General, to manage the business and affairs of the Association based on the budget agreed by the General Assembly in accordance with Article 12, to implement the resolutions of the General Assembly and to prepare its meetings.

§4. Procedure for meetings

The President shall chair the Executive Committee meetings. Should the President be unable to attend, the Vice-President shall replace him or, in his absence, the Executive Committee shall elect a Chair for that meeting .

Each member of the Executive Committee shall have one vote. However, a member of the Executive Committee may be represented by another member of the Executive Committee at a meeting of the Committee provided the former notifies the Secretary General in writing before the meeting, setting out the identity of the member to represent him, the date of the meeting and the specific issues for which a mandate has been given. No member may represent more than one other member.

If the notice for a meeting of the Executive Committee so permits, votes may be cast via letter fax or email, addressed to the Secretary General and received before the meeting. Voting by mail (letter fax or email) is permitted in cases where full documentation has been circulated with the agenda. The Secretary General or in case he is unable to attend, his representative, attends all meetings of the Executive Committee, but does not have the right to vote.

§5. Notices, Quorum and Majority

Meetings of the Executive Committee are held in accordance with the timetable it establishes. In any event, the Executive Committee shall meet before an ordinary General Assembly and at the request of one or more of its members. In the latter case, the President or the Secretary General convenes the meeting.

Meetings are convened by the dispatch of notices by post, telegram, fax, email or by telephone at least fourteen days in advance. Meetings may be held without notice if all the members of the Executive Committee are present and agree to deliberate on the agenda.

The Executive Committee can only deliberate officially if at least five of its members are present. However, if a quorum has not been achieved, a second meeting may be convened within the following two weeks. This meeting may validly deliberate if at least four members of the Executive Committee are present.

The resolutions of the Executive Committee are adopted by a majority of the votes cast by the members present or represented. If votes are tied, the President may cast the deciding vote.

§6. Minutes

The resolutions passed by the Executive Committee are recorded in minutes. All minutes are signed by the President and the Secretary General and held in a special register. The minutes of meetings of the Executive Committee will contain details of votes of Members of the Executive Committee cast by proxy or by mail (letter fax or email). Copies of the minutes are sent to all members of the Executive Committee and sent to all Members of the Association within 14 days of each meeting.

The register of minutes will be held at the registered office of the Association, where it may be consulted and copied by all Members of the Association.

§7. Representation of the Association

Any commitment on behalf of the Association outside the scope of the day to day management requires the joint signature of the President and the Vice-President.

The Association is validly represented in legal proceedings by its President, in the capacity of either plaintiff or defendant.

Chapter IV: The Secretary General

Article 11

The Secretary General is responsible for the activities of the secretariat of the Association and assists the General Assembly and the Executive Committee in the implementation of their work.

The Secretary General shall be appointed by the General Assembly following nomination by the Executive Committee.

The Secretary General shall be employed under a permanent contract regulated by the Belgian Law. The Secretary General or, in case he is unable to attend, his representative attends all meetings of the Executive Committee and all meetings of the General Assembly, but is not entitled.

The Secretary General shall be in charge of the day-to-day management of the Association's business. He manages the financial affairs, based on the budget agreed in accordance with Article 12. In particular, he is responsible for the safe and orderly keeping of documents, the updating of statistical data intended for the Members, and any publication of the Association. He is also responsible for the

organisation of meetings and the implementation of all the decisions taken. He is responsible for circulating the documentation relating to meetings. He shall compile minutes of the sessions.

The office of the Secretary General is further governed by the Internal Rules.

Chapter V: Financial Provisions

Article 12: Duties of Ordinary Members

§1.

The General Assembly decides on the annual contribution that will be due by the Ordinary Members established in the same country. Such a contribution is collectively due from those Ordinary Members of each country. However, those Ordinary Members may decide how the amount of the contribution will be allocated among themselves.

§2.

The amount of the contribution is determined by the General Assembly upon the recommendation of the Executive Committee, in accordance with the provisions set out in the Internal Rules.

§3.

The Executive Committee submits a proposal for the budgetary plan for the following year to the General Assembly. The proposed budgetary plan shall be discussed during the last meeting of the General Assembly held before the end of the year and the budgetary plan, subject to any amendments, shall be approved and adopted by the General Assembly at the end of this meeting.

§4.

Ordinary Members shall pay their contributions for the current year to the Secretary General before 31 March of that year. Contributions from Ordinary Members, which are paid late are subject to a 1% increase per month or part of a month by which the deadline is exceeded.

Article 13. Duties of Observer Members

§1.

The General Assembly decides on the annual contribution that will be due by the Observer Members established in the same country. Such a contribution is collectively due from those Observer Members of each country. However, those Observer Members may decide how the amount of the contribution will be allocated among themselves.

§2.

The amount of the contribution is determined by the General Assembly upon the recommendation of the Executive Committee in accordance with the provisions set out in the Internal Rules and corresponds to a distribution key which is fixed during the annual session of the General Assembly devoted to the budget.

§3.

Like Ordinary Members, they shall pay their contributions to the costs for the current year to the Secretary General before 31 March of that year. Contributions paid late are subject to a 1% increase per month or part of a month by which the deadline is exceeded.

Article 14: Expenses distribution key

Expenses are distributed as follows:

§1.

The expenses incurred by the activities of the Association and secretarial expenses are covered by the annual contributions of the Members and in accordance with the decision taken by the General Assembly.

§2.

The remuneration of the Secretary General and the day-to-day expenses of the secretariat of the Association are payable by the Association.

§3.

The expenses relating to the activities of the members of the Executive Committee are borne by their national organisations.

§4.

The reasonable travel and accommodation expenses of the President incurred in attending meetings on behalf of the Association, other than Association internal meetings, shall be payable by the Association. The Executive Committee may at its discretion determine an annual limit to such payments.

Article 15: Annual accounts and auditing

The financial year commences on January, 1 and ends on December 31 of each year.

The Association's accounts are drawn up by the Executive Committee and submitted for approval to the General Assembly by the end of March at the latest. The accounts as drawn up by the Executive Committee shall be audited by two persons who are elected by and from the Ordinary Members of the Association. The auditors are elected for a period not exceeding four years which is renewable. The accounts are drawn up in accordance with the rules as set out in the Belgian Statute dated June 27, 1921.

Article 16. Surplus and deficit

If the accounts show a surplus of income over expenditure, the General Assembly decides to allocate these funds in accordance with the Belgian Statute of June 27, 1921 and these statutes.

Any deficit that cannot be met from the reserves of the Association is borne by the Members of the Association, by a decision of the General Assembly, on a pro rata basis and up to a maximum of their annual contributions.

Article 17: Assets and liabilities of the Association

§1. Interests of Members in the assets of the Association

Any rights and claims of a Member to the funds, capital and assets of the Association will cease to exist to the benefit of the Association in the event that membership expires for whatever reason, except in case of dissolution of the Association.

If membership has expired, the Member in question cannot take advantage of any rights to the assets of the Association vis-à-vis the Association or its Members.

§2. Availability of the assets of the Association in the event of dissolution

In the event the Association is dissolved and after payment of all debts and obligations, the funds, investments and all other assets of the Association will be divided among the Members of the Association at the time of dissolution in proportion to and up to a maximum limit of their contributions. Any balance will be transferred to one or more non-profit-making associations pursuing objectives similar to those of the Association, or by default to an unconnected party to be determined by the General Assembly who will decide on the conclusion of the liquidation.

Article 18: Modification of the statutes and internal rules

§1.

The present statutes are valid for an indefinite period of time. Any Ordinary Member wishing to propose modifications to the statutes is to make his intention known via his Delegation, representing the Member, together with the text of the proposed amendment, in writing, to the Secretary General at least three months before the date of the General Assembly at which the proposal may be discussed. The Secretary General will inform each Member in writing to this effect at least two months before the General Assembly in question. Subject to the provisions in article 9 § 7, all modifications must be decided upon by the General Assembly by a majority of two-thirds of the votes cast by the Delegations of Ordinary Members present or represented at a General Assembly.

Modifications to the purpose of the Association have to be approved by Royal Decree. Other modifications to this statutes have to be accepted by the Ministry of Justice. The modifications have to be published in the appendices to the Belgian Official Journal (« Moniteur Belge »).

§2.

The Internal Rules are adopted, revised and/or modified by a majority of two-thirds of the votes cast by the Delegations of Ordinary Members at a General Assembly, upon a proposal by the Executive Committee. The Executive Committee will make a proposal if at least one Member so requests.

No internal rule which conflicts with any provision of the statutes of PGEU shall be adopted.

Article 19. Dissolution and liquidation

The resignation or expulsion of one of its members shall not put an end to the Association.

Any proposal aimed at the dissolution of the Association must be issued by the Executive Committee or by at least one third of the Ordinary Members of the Association.

The dissolution of the Association can only be decided upon by the General Assembly if a motion to this effect is included in the notice dispatched in advance of the meeting in accordance with Article 9 § 5 of these Statutes and is duly included on its agenda.

The meeting convened for this purpose will be validly constituted if at least two-thirds of the total number of Delegations of Ordinary Members are present or represented.

The Association may be dissolved by a unanimous decision of the Delegations of Ordinary Members present or represented at the General Assembly.

If unanimity is not achieved, the final decision shall be referred to a subsequent General Assembly during which the decision may be taken with a two-thirds majority of the votes cast by the Delegations of Ordinary Members present or represented at the General Assembly.

Article 20: Entry into force

The present statutes enter into force

- between the Members on the day of their approval by the General Assembly convened for that purpose;
- with respect to third parties, as of the day of their deposit, or if publication is required, as of the day of their publication in the annexes of the Moniteur Belge and once the publication formalities prescribed by Article 50 of the law of 27 June 1921 have been fulfilled.

Article 21: Temporary provisions

§ 1.

Notwithstanding the provisions of Article 10.1.1., up to and including 2007, the Executive Committee shall consist of five members comprising the President, the first Vice-President, the second Vice-President, a representative of the Delegation of the Member State which will appoint the second Vice-President for the following year and a representative of the Delegation of the Member State which will appoint the second Vice-President for the next following year, in accordance with the order set out in Appendix 1

Notwithstanding the provisions of Article 10.1.5., from 2008 and until 2010 included, one member will retire from the Executive Committee on 31 December and two new members shall be appointed to the Executive Committee to serve from 1 January in the following year in accordance with Article 10.1.4. As a result, the Executive Committee will comprise six members in 2008, seven members in 2009 and eight members in 2010, members being appointed by the Delegations of Member States in the order set out in Appendix 1.

§ 2

Notwithstanding the provisions of article 10 § 5 until 2007 the Executive Committee can only deliberate officially if at least three of its members are present. However, if a meeting is not quorate, a second meeting may be arranged within two weeks and decisions taken if two members are present.

Notwithstanding the provisions of article 10 § 5 in 2008 and in 2009 the Executive Committee may only take decisions if four members are present at a meeting. However, if a meeting is not quorate, a second meeting may be arranged within two weeks and decisions taken if three members are present.

In 2010, the provisions of Article 10.5 shall apply. At all times, in the event of a tie in the number of votes cast, the President, or in his absence the Chairman of the meeting, shall have a casting vote.

§ 3.

Notwithstanding the provisions of Article 10.2, up to and including 2009, the President shall be appointed for a non-renewable period of one calendar year by the Delegation of the Ordinary Members from the Member State which is due to assume the Presidency in accordance with the list set out in Appendix 1 A. The Immediate Past President shall serve as First Vice-President and the next following President shall serve as Second Vice-President.

§ 4.

Until 31 December 2009, the term “Vice-President” in Article 10.3 and 10.4 shall be interpreted as “the First Vice-President, or, in his absence, the Second Vice-President” and in Article 10.7 the term “Vice-President” shall be interpreted as “one of the Vice-Presidents”

Article 22 – Final provisions

Anything that is not laid down in the present statutes and notably the publication necessary in the annexes of the Moniteur Belge, shall be regulated by the provisions of Title III of the Belgian law dated 27 June 1921 concerning non-profit associations, international non-profit associations and foundations.