

European Car-Transport Group of Interest (ECG)

INTERNAL RULES

INTERNATIONAL ASSOCIATION

Effective 1st January 2020

General Clause

ECG is also denominated "The Association of European Vehicle Logistics".

The internal rules (including any changes thereto) are drafted by the Board of Directors and submitted to the General Assembly for approval. The internal rules determine all organisational, administrative and operational procedures not covered by the articles of association. In case of a conflict between the provisions of the internal rules and the provisions of the articles of association, the latter prevail. Defined terms used in the internal rules have the meaning given to them in the articles of association.

The President, the Vice-President and the Executive Director have the full authority (i) to ensure that all parties comply with the internal rules and (ii) to take any relevant decision concerning their application and enforcement.

ARTICLE § 1 - GENERAL ASSEMBLY

The General Assembly has to decide on, amongst other things:

1. Strategic orientation and specific objectives of ECG

The Board of Directors prepares proposals for the strategic orientation and specific objectives of ECG. The President submits these proposals to the General Assembly for approval.

2. Approval of the work program, validation of the work of the teams

Each member of the Board of Directors may prepare a work program. All work programs will be included in the annual report of the President, and will thereafter be submitted to the General Assembly for approval.

3. Determination of official standpoints and statements of ECG

The Board of Directors prepares proposals for official standpoints and statements of ECG. The President submits these proposals to the General Assembly for approval. The proposals are part of the agenda and have to be included in the convening notice for the General Assembly.

4. Approval of annual financial report and annual accounts

Before being submitted to the General Assembly, the annual financial report and the annual accounts have to be approved by the Board of Directors. After the approval of the Board of Directors has been obtained, the Ordinary General Assembly votes on the approval of the annual financial report and the annual accounts. The report of the independent auditor is part of the agenda of the General Assembly and is sent out together with the convening notice for the General Assembly.

5. ECG's budget

The budget for each financial year must be approved by the Board of Directors before being submitted to the General Assembly for approval. The proposed budget is part of the agenda of the General Assembly and is sent out together with the convening notice for the General Assembly.

ARTICLE § 2 - BOARD OF DIRECTORS

1. General

The Board of Directors decides on all the affairs of ECG in accordance with the decisions taken by the General Assembly. The Board of Directors prepares the agenda for the General Assembly.

2. Meetings

The Board of Directors can ask the Executive Director to be present at the meetings when it deems it appropriate. Minutes of the meetings will be prepared and sent to every member of the Board of Directors and, as the case may be, the Executive Director.

3. President and Vice-President

3.1 The President and the Vice-President exercise all powers necessary to carry out the purpose and the general political strategy of ECG.

3.2 The President is vested with the power of management and administration granted by the General Assembly. The President has the authority to accept and make good any bequest or covenants made to ECG and to take all useful or necessary actions in this respect. In the event that the mandate of the President is terminated during the term thereof, the Vice-President will assume the role of President and choose his Vice-President from amongst the other members of the Board of Directors, until the next General Assembly appoints a new President and Vice-President.

3.3 The Vice-President is the chairman of the Board of Directors. In his absence, he can appoint any other member of the Board of Directors to act as chairman.

4. Members

The responsibility of the different members of the Board of Directors (chairmanship of task forces, special tasks, etc.) is determined by the Board of Directors on the proposal of the Vice-President.

The responsibility of the treasurer is to:

- present a current financial statement to the Board of Directors at each meeting
- prepare each year the annual financial report and the annual accounts in relation to the previous financial year and to propose a budget for the current financial year
- make each year a proposal pertaining to the membership fee in accordance with article § 6.1

If financial decisions are to be taken that are not covered by the budget, such decisions require the approval of the Board of Directors, whereby the treasurer has a veto right.

5. Subsistence allowances

The President and the Vice-President may be reimbursed for travel expenses incurred in the exclusive interests of ECG. Any other costs will not be reimbursed. The expenses of the other members of the Board of Directors incurred in connection with their membership of the Board of Directors have to be approved by the President before being reimbursed.

6. Former Presidents

Former Presidents of ECG are allowed to provide the following role(s) at the invitation of the current President during a period of maximum five (5) years after their mandate of President has terminated:

- Providing advice and input to the President and Vice-President on the strategic direction of ECG
- Attendance at meetings of the Board of Directors
- Representation of ECG at events and conferences
- Chairmanship of subcommittees or special task forces

ARTICLE § 3 – EXECUTIVE DIRECTOR

1. The Executive Director is appointed by the Board of Directors.
2. The Executive Director is responsible for the organisation of the meetings of the Board of Directors, the General Assembly and other meetings as requested by the President.
3. The Executive Director is responsible for the work done by the Secretariat and shall monitor the performance of the auditor.
4. The Executive Director prepares all documentation in relation to the General Assembly.

5. The Executive Director works in close co-operation with the President and the Board of Directors and is responsible for promoting the interests of ECG in all means.
6. The Executive Director gets reimbursed for travel expenses incurred exclusively in the interest of ECG.

ARTICLE § 4 – TASK FORCES

1. The General Assembly, the Board of Directors or the President can constitute any task force deemed necessary for the accomplishment of the aims of ECG. These may take the form of commissions, working groups and regional meetings.
2. Each task force is chaired by a member of the Board of Directors with functional responsibility for the activities and is supported by at least one (1) member of the Secretariat.
3. Task forces shall comprise of any relevant volunteers with the appropriate skills and knowledge appointed from amongst the Members, the members of the Board of Directors, OEMs, sponsors or any other relevant third parties, subject to the approval of the chairman of the task force.
4. The President and the Executive Director are ex-officio members of all task forces.
5. Agendas and minutes will be produced for every meeting and be made available to all members of the task force via the website of ECG.
6. Membership of any task force will be reviewed for any member who does not attend two (2) consecutive meetings.
7. Task forces, through their concentration on particular aspects of ECG's operations, can undertake more comprehensive and detailed examinations on the issues involved. They can serve as valuable sources of support to the Executive Director, the Board of Directors and the General Assembly through the provision of advice and expertise in their areas of interest.
8. The task forces remain at all times subject to the overriding authority of the General Assembly to ensure that the objective of co-ordination and effective

implementation of agreed policy is achieved. The President and the Vice-President will co-ordinate the activities of the task forces. To facilitate this, each task force shall present reports of its activities to the General Assembly and, in addition, the concerned members of the Board of Directors will be required to provide regular updates to the Board of Directors.

ARTICLE § 5 - SPONSORS

Anyone can apply to sponsor ECG. Sponsors have to be accepted by the Board of Directors. Sponsors may be invited to attend the 'open' sessions of the General Assembly as a third party without having the right to vote. Sponsors may also be invited by the Board of Directors to take part in such activities of ECG as the Board of Directors deems appropriate. Sponsors are not entitled to submit their candidacy for the position of President, Vice-President or member of the Board of Directors.

ARTICLE § 6 – MEMBERSHIP FEE

The Board of Directors determines the membership fees on an annual basis. The membership fee is always payable for an entire calendar year. The request for payment is sent out to every Member at the latest on 10 January of each year. The membership fee is due by the Members by the end of February. If a given Member does not fulfil its payment obligation, the Executive Director sends a reminder at the latest on 15 March. If the Member has not paid its membership fee at the latest on 31 March, its membership rights are suspended with effect as from 1 April. The Board of Directors will then decide what action to take against that Member.

Article § 7 –ECG Finances

1. All investment decisions require the approval of the Board of Directors.
2. Only a decision of the Board of Directors can change the authorizations.
3. ECG's purchasing policy will be applied at all times. Any amendments to the policy require the approval of the Board of Directors.

Article § 8 – ECG Academy

1. The Giovanni Paci Award is presented each year during the ECG Academy graduation ceremony to the best student of the course as independently adjudged by the ECG Academy Course Director.
2. Honorary Automobile Logistician Award. This award will be made a maximum of once per year at the ECG Academy graduation ceremony in line with the agreed criteria which include a requirement for the mutual and unanimous consent of the Board of Directors and KPMG. The criteria may only be amended by unanimous approval of the Board of Directors.

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Annex: Summary of voting rules

Notwithstanding the general rule that decisions of the General Assembly are taken by a simple majority of the Full Members present or validly represented at the General Assembly, the following decisions are taken with a majority of 2/3 of the votes of the Full Members present or validly represented at the General Assembly:

- Change/amendments articles of association and internal rules
- Exclusion of a Member
- Revocation of mandate of President or Vice-President
- Dissolution and liquidation of ECG
- Setting up administrative or operational headquarters in Belgium and establishment of offices abroad