

STATUTES OF THE BUSINESS ASSOCIATION EUROPEAN CHAMBER OF COMMERCE IN CAMBODIA

Chapter I Goals

- Article 1:** This established Business Association shall be an independent organisation, shall not be under the supervision of any political party, and shall work for the interests of its members.
- Article 2:** The Business Association's membership shall be open to businesspeople or professionals regardless of their political affiliations on the basis set out these Statutes.
- Article 3:** This Business Association shall carry out the activities set out in Article 6 and may set up branches anywhere in the Kingdom of Cambodia or abroad.
- Article 4:** The Business Association shall operate permanently with no defined term of expiry.

Chapter II Name and Address

- Article 5:** The Business Association's name shall be: **European Chamber of Commerce in Cambodia in English**, Chambre de Commerce Européenne au Cambodge in the French language and [insert], in the German language. It may also have the following abbreviated name: **EUROCHAM Cambodia**.
The Business Association's address shall be: #445 Monivong Boulevard, Khan Makara, Phnom Penh, Cambodia.
The address can be changed in accordance with a decision of EUROCHAM Cambodia's Board of Directors.

Chapter III EUROCHAM Cambodia's Duties

- Article 6:** EUROCHAM Cambodia is established to represent European businesses and entrepreneurs living and working in Cambodia, and to act on their behalf where appropriate. Its mission is to become a major resource for issues of trade, investment and business intelligence in the country. It aims at fostering business, exchanging information on regulatory matters, resolving disputes, as well as promoting economic and cultural relations between Europe and Cambodia and vice versa.

EUROCHAM Cambodia may, in particular, have the following duties:

- To facilitate and increase two-way investment, business and trade flows between Cambodia and European Union (EU) Member States;

- To assist in the development of the Cambodian economy through the internationalisation of Cambodian companies;
- To raise the profile of Cambodia in the EU business community and the profile of the EU in the Cambodian business community;
- To complement the bilateral activities carried out by missions and/or business organisations of EU Member States;
- To advocate with the Royal Government of Cambodia in respect of investment opportunities for the EU business community in Cambodia.
- To provide services to Members and non-Members relating to economic, legal, technical, financial, market and other business issues;
- To facilitate the creation of strategic alliances between small and medium size companies of Cambodia and EU Member States;
- To undertake all activities to achieve the above-stated objects, in conformity with these Statutes, **EUROCHAM Cambodia's** Internal Rules which supplement these Statutes and EUROCHAM Cambodia's Decisions.

Chapter IV Membership

Article 7:

7.1: Membership in EUROCHAM Cambodia shall be divided into three (3) main categories:

Ordinary Members may be either:

Ordinary Corporate Members: legal entities in good standing which have a legal presence in Cambodia or intend to set up a presence in Cambodia and

- (1) are established under the laws of any EU Member State; or
- (2) are majority-owned subsidiaries of such legal entities; or
- (3) are, directly or indirectly, majority-owned by citizens of any EU Member State; or
- (4) can demonstrate to the satisfaction of the EUROCHAM Cambodia's Executive Committee that they have substantial ties to the EU;

or

Ordinary Individual Members: individuals of good standing who are not members of an organisation which is or could become an Ordinary Corporate Member and

- (1) are nationals of any EU Member State; or
- (2) are ordinary residents in Cambodia who can demonstrate to the satisfaction of the Executive Committee that they are actively involved in business, trade, investment and/or other permitted activities in Cambodia.

Associate Members, may be either:

Associate Corporate Members:

- (1) legal entities in good standing which are established under the laws of Cambodia;
- or (2) legal entities in good standing which do not have a legal presence in Cambodia, but which are established under the laws of any EU Member State, majority-owned subsidiaries of such legal entities or which can demonstrate to the satisfaction of the Executive Committee that they have substantial ties to the EU and Cambodia;

or

Associate Individual Members: individuals of good standing who are (1) nationals of any EU Member State or who can demonstrate to the satisfaction of the Executive Committee that they are actively involved in business, trade, investment and/or other permitted activities in Cambodia and/or the EU and (2) who are not ordinarily resident

in Cambodia, but (3) are not members of an organisation which could become a Corporate member.

Honorary Membership:

Elected Honorary Members may include:

- The duly appointed Ambassadors of European Union Member States in Cambodia;
- Any person, partnership, corporation or entity invited and appointed by the Executive Committee, which have made, or are likely to make, a distinguished contribution in furthering the purposes of EUROCHAM Cambodia;
- The Ambassador of the European Union in the Kingdom of Cambodia or his representative.

Elected Honorary Members may be elected for life or for such period as the Executive Committee shall decide and such membership may be removed by resolution of the Executive Committee. Except as otherwise stated herein, Honorary Members shall be entitled to all the privileges of Associate Members.

7.2: Founding Associations

- The Founding Associations are ADW, BRITCHAM and CCFC who, together, initiated the establishment of EUROCHAM Cambodia and developed its original Statutes.
- CCFC and ADW have decided to integrate EUROCHAM Cambodia as National Chapters (as defined in Article 9) within EUROCHAM Cambodia.
- As at the date of effect of these Statutes:
 - (1) All members of ADW and CCFC are granted the quality of EUROCHAM Cambodia Ordinary Members and are also granted the right to preserve that quality in the future.
 - (2) ADW and CCFC will continue to own their respective assets, and will delegate the responsibility of the operational management of such assets to EUROCHAM Cambodia's Board of Directors.
 - (3) EUROCHAM Cambodia's retained earnings remain theirs, ADW's retained earnings remain theirs, and CCFC's retained earnings remain theirs.
- BRITCHAM remains a Founding Member of EUROCHAM Cambodia and receives special status while staying independent. BRITCHAM's members shall pay 50% of EUROCHAM Cambodia's membership fees, should they choose to become EUROCHAM Cambodia Associate members.
- In order to protect BRITCHAM's independence, its members may not form a National Chapter (Article 9) and do not have the same benefits as other National Chapters' members, unless BRITCHAM decide to integrate into EUROCHAM Cambodia as have the other Founding Associations.
- While not Founding Associations, other members of any one European nationality can form national chapters within EUROCHAM Cambodia.

7.3: Admission

Any natural or legal entities that wish to become members of EUROCHAM Cambodia shall be required to submit an application for membership in compliance with the procedures prescribed in EUROCHAM Cambodia's Internal Rules. All such applications will be reviewed and are required to be approved by the Board of Directors.

Article 8: EUROCHAM Cambodia's members will forfeit their membership for any of the following reasons:

- Resignation or non-payment of membership fees;
- Death or bankruptcy;
- Decision made with the vote of 2/3 (two thirds) of the entire Board of Directors;
- Conviction for criminal offense of the member.

Chapter V

National Chapters within EUROCHAM Cambodia

Article 9: EUROCHAM Cambodia explicitly supports European cultural diversity and supports the creation of National Chapters by members of any single European country.

- National Chapters may submit their own Bylaws to the approval of EUROCHAM Cambodia's Board of Directors, or use default Bylaws as recommended within EUROCHAM Cambodia's own Bylaws.
- Any National Chapter with a minimum of 20 Ordinary Members may nominate one (1) member to EUROCHAM Cambodia's Board of Directors.
- The Founding Associations CCFC and ADW, although integrated as National Chapters, do not have the right to nominate any additional members to EUROCHAM Cambodia's Board of Directors beyond those provided for in Art. 17.3.
- National Chapters' budgets are administered by EUROCHAM Cambodia. Every national Chapter with a minimum of 20 Ordinary Members has the right to autonomously administer a subset of budget equal to 40% of its members' annual membership fees, and to allocate that budget to its own cultural activities (i.e. activities not related to business nor business services, for which EUROCHAM Cambodia is responsible).
- New members to EUROCHAM Cambodia may choose to join only one (1) National Chapter.
- A British National Chapter will be formed by 20 British Ordinary Members if BRITCHAM decides to integrate into EUROCHAM Cambodia in the manner of CCFC and ADW.

Chapter V

Rights and Responsibilities of the Members

Article 10: All members shall be entitled:

- To participate in EUROCHAM Cambodia's meetings in accordance with EUROCHAM Cambodia's invitations;
- If an Ordinary Member, to stand for election and to elect the Board of Directors;
- To participate in EUROCHAM Cambodia's activities as determined by the General Meetings; and,
- To have such other privileges and rights as determined by the Board of Directors.

Article 11: Each member has the responsibility and obligation to comply with the decisions made by EUROCHAM Cambodia's General Meetings.

Chapter VI

General Meetings

Article 12: EUROCHAM Cambodia is to be governed by General Meetings. General Meetings consist of Ordinary General Meetings and Extraordinary General Meetings. Invited participants of a General Meeting shall include all Founding Associations, Ordinary Members, Associated Members, Honorary Members and representatives from relevant administrative entities invited by the Board of Directors. Only Ordinary Members may vote at a General Meeting.

Article 13: The matters dealt with at Ordinary General Meetings shall include:

- The election of eligible EUROCHAM Cambodia's members to the Board of Directors;
- The examination and approval of EUROCHAM Cambodia's annual budget;
- The consideration of EUROCHAM Cambodia's activities and approval of its policies and development programs.

EUROCHAM Cambodia's Chairperson (all references to a Chairperson in these statutes refers to the Chairperson appointed under Article 17.5) and its Board of Directors are in charge of the implementation of all decisions made at Ordinary General Meetings.

Article 14: Convening Ordinary General Meetings.

- An Ordinary General Meeting shall be held once every 12 (twelve) months in accordance with the invitation of the Board of Directors;
- All Ordinary General Meetings shall be chaired by EUROCHAM Cambodia's Chairperson or, in the Chairperson's absence, the next highest rank within the Board of Directors;
- The quorum of any Ordinary General Meeting shall consist of 50% + 01 of the aggregate of the Ordinary Members of EUROCHAM Cambodia present in person or duly represented;
- If after a period of thirty (30) minutes subsequent to the scheduled time as mentioned in the invitation for the Ordinary General Meeting there is not a quorum present, EUROCHAM Cambodia's Chairperson shall summon a second meeting in seven days' time, and the quorum for such second meeting shall consist of one-third of all Ordinary Members present in person ("Second Meeting Quorum");
- If after a period of thirty (30) minutes subsequent to the scheduled time for such Second Meeting, there is not a Second Meeting Quorum present, the Board of Directors shall convene a third meeting in three days' time, and such Third Meeting shall not require a quorum to conduct business.
- The Chairperson shall provide all members with the agenda for an Ordinary General Meeting at least 7 days prior to commencement of such Ordinary General Meeting. This does not apply with respect to any meeting called as a result of the process set out above to deal with the lack of quorum.

Article 15: Decisions of Ordinary General Meetings:

- Can only be approved by a simple majority from within the attending Ordinary Members
- The decisions made by the Ordinary General Meetings shall be duly recorded in the minutes;

- Any dissemination of information about Ordinary General Meetings shall require prior permission from EUROCHAM Cambodia's Chairperson.

Article 16: Extraordinary General Meetings

An Extraordinary General Meeting may be called at the request of EUROCHAM Cambodia's Chairperson with the approval of the Board of Directors or must be called upon the request of at least 40% of all Ordinary Members. Such a request from the Ordinary Members must be submitted to the Chairman of the Board of Directors and must provide details of the specific purposes for such meeting. The Chairman shall call the Extraordinary General Meeting within 4 weeks after receipt of the request.

The quorum of an Extraordinary General Meeting shall be at least a simple majority of the Ordinary Members present or duly represented of EUROCHAM Cambodia.

Decisions of an Extraordinary General Meeting shall require the approval of the smaller of:

- a) 75% of the Ordinary Members present or duly represented at such meeting; or
- b) 50% + 1 of all Ordinary Members of EUROCHAM Cambodia.

CHAPTER VII

BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE OF THE EUROPEAN CHAMBER OF COMMERCE

Article 17: The activities of EUROCHAM Cambodia shall be managed by a Board of Directors which shall comprise of up to 13 members.

The Founding Associations integrated as National Chapters shall each nominate two of their members to be Board of Directors Members. Other National Chapters that have been established according to the Internal Rules of EUROCHAM Cambodia shall be entitled to nominate one of their members to be a Board of Directors Member. The Ordinary Members shall elect the remaining Board of Directors' members of persons of good standing who are either Ordinary Individual Members or Corporate Representatives of Ordinary Corporate Members ("Board of Directors Members"). Persons who are eligible for election as Board of Directors Members must be proposed and seconded by Ordinary Members and must consent in writing to such nomination.

17.1: The day-to-day operations of EUROCHAM Cambodia shall be managed by an Executive Director who shall be a European national duly appointed by the Board of Directors to be the Executive Director of EUROCHAM Cambodia. The Executive Director shall execute the general affairs of EUROCHAM Cambodia in accordance with the objectives, policies, constitution, Internal Rules and other regulations of EUROCHAM Cambodia under the supervision and control of the Executive Committee. The Executive Director shall not participate in the vote of resolutions of the Board of Directors, but can provide recommendations to the Board of Directors. The Executive Director shall be assisted by the support staff of EUROCHAM Cambodia. The day-to-day operations will be capacitated so as to support any of the three following languages: English, French, and German. Translations to any of these three languages will be provided upon requests from National Chapters, or from third parties e.g. European enterprises seeking business services from EUROCHAM Cambodia.

17.2: Election of Board of Directors Members shall take place in accordance with the voting procedures set out in EUROCHAM Cambodia Internal Rules provided that 1) at least Seven (7) Board of Directors Members are passport holders of a EU Member State, or

2) no more than four (4) passport holders from any one country may be elected or nominated to the Board of Directors at any one time.

17.3: National Chapters shall notify the Board of Directors of the identity of the individual they propose to nominate to be a Board of Directors Member at least 30 days prior to the Ordinary General Meeting. The Board of Directors shall have a right of veto over the person nominated within 7 days of being notified of the proposed nominee. In the event that the right of veto is exercised, then the relevant National Chapter shall notify the Board of Directors of an alternative nominee within 14 days of having been advised that the previous nominee has been rejected.

17.4: Board of Directors Members shall be elected once (1) each calendar year at the Ordinary General Meeting for a term of office commencing on the date of his/her election and, subject to Article 17.6, terminating on the date of the next Ordinary General Meeting at which new elections take place, and may be re-elected for subsequent terms.

17.5: The Board of Directors shall elect, from among the Board of Directors Members, an Executive Committee comprising of a Chairperson, three Vice-Chairpersons (i.e. one Vice-Chairperson nominated by each of the three Founding associations respectively), a Treasurer and a General Secretary, on a majority vote and for a term of office commencing on the date of his/her election, subject to Article 17.6, terminating on the date of the next Ordinary General Meeting at which new elections take place, and may be re-elected for subsequent terms.

17.6: If a Board of Directors Member wishes to resign from the Board of Directors, is absent from three consecutive Board of Directors Meetings without legitimate reason, ceases to be ordinarily resident in Cambodia, ceases to be the Corporate Representative of an Ordinary Corporate Member or to be an Ordinary Individual Member, then he/she shall give written notice of his/her resignation to the Board of Directors or, if no such notice is given within two weeks of any of the aforementioned conditions being met, he/she shall be deemed to have resigned from the Board of Directors.

On resignation or termination of office of any Board of Directors Member for any reason before the expiration of his/her normal tenure of office, the Board of Directors may invite another eligible Ordinary Member to fill the vacancy and such Ordinary Member shall remain in office until the next Ordinary General Meeting at which Board of Directors elections take place. If a resigning or terminated Board of Directors Member is also a member of the Executive Committee, the Board of Directors shall elect by majority vote another Board of Directors Member to take his/her place on the same terms as set out in Article 17.5.

17.7: The Board of Directors shall regulate its own proceedings as it sees fit in accordance with the provisions of these Statutes and EUROCHAM Cambodia Internal Rules. Generally and without limiting its powers, the Board of Directors shall:

- Elect the Members of the Executive Committee;
- Decide the establishment of Sectoral Committees or sub-Committees of common interest;
- Approve the Internal Rules of EUROCHAM Cambodia;
- Approve the application of new members;
- Approve the recruitment of the Executive Director;
- Approve Budgets and Account statements;

- Approve Annual Report to the Members;

- 17.8;** The Board of Directors Chairperson shall hold office for a term equal to his/her term as an Board of Directors Member and shall call and chair all Board of Directors Meetings (or, in his/her absence, a Vice Chairperson or another Board of Directors Member nominated by him/her shall chair Board of Directors Meetings).
- 17.9:** The Board of Directors shall meet at least once every three (3) months. If the Board of Directors Chairperson fails to call sufficient Board of Directors Meetings, then any three Board of Directors Members may by written notice to all Board of Directors Members, call a Board of Directors Meeting.
- 17.10:** The quorum for all Board of Directors Meetings shall consist of a simple majority of the Board of Directors Members.
- 17.11:** At Board of Directors Meetings, each Board of Directors Member present shall have one vote and resolutions shall be passed by majority vote. In the event of a tie at any Board of Directors Meeting, the Board of Directors Chairperson shall have a casting vote.
- 17.12:** The Board of Directors may pass a resolution without holding a Board of Directors Meeting, provided that a five (5) days written notice is given to the Board of Director Members prior to casting the vote. Such resolution shall be valid and enforceable as if it were passed at a Board of Directors Meeting if it is signed by at least seven (7) Board of Directors Members. The signature of the Directors may be contained in a single document or may consist of several documents, all in like form. For the purpose of this Article, “in writing” and “signed” include approval by telex, facsimile, cable, telegram, or email. The duly signed resolution shall be delivered to the Chairman.
- 17.13:** The Board of Directors may invite, at its discretion, any Members or other persons to attend Board of Directors Meetings on a regular or a case-by-case basis, as decided by the Executive Committee.
- 17.14:** Unless specifically stated otherwise herein, all documents relating to EUROCHAM Cambodia shall be valid if approved at a Board of Directors Meeting and signed by any two (2) Board of Directors Members.
- 17.15:** All Board of Directors Members including the Board of Directors Chairperson and Vice Chairpersons shall be indemnified and held harmless by EUROCHAM Cambodia against all losses, liabilities and expenses threatened, incurred or suffered by him/her in connection with his/her term of office as an Board of Directors Member and/or as Chairperson and Vice Chairperson (whether arising during or after such term of office) provided that such Board of Directors Member has acted honestly and in good faith and in a manner he/she believed to be in, or not opposed to, the best interests of EUROCHAM Cambodia.
- 17.15:** The Executive Committee members shall have the following responsibilities:
- The Chairperson is responsible for guiding/directing the activities of EUROCHAM Cambodia;
 - The Vice-Chairpersons are the deputies to the Chairpersons and one of them shall be assigned by the Chairperson, or by the Board of Directors if the Chairperson has not already done so, to act as the Chairperson during the absence of the Chairperson or if the Chairperson resigns from his position;

- The Treasurer supervises the preparation of the accounts of EUROCHAM Cambodia, which are to be audited by a to-be-named auditing company;
- The General Secretary ensures that EUROCHAM Cambodia operates in accordance with its Statutes and its Internal Rules. He is responsible for the minutes of the Executive Committee meetings and of the Board of Directors meetings or may delegate such task to the Executive Director, as he deems appropriate. He also ensures that EUROCHAM Cambodia abides in all respects by the Laws and Regulations of the Kingdom of Cambodia.

17.16. The Executive Committee shall meet as often as necessary and at least once every month. The quorum shall comprise of not less than three (3) Executive Committee Members.

17.17. The Executive Committee shall regulate its own proceedings as it sees fit and generally and without limiting its power shall:

- Through the Executive Director manage and supervise the day-to-day operations of EUROCHAM Cambodia and the implementation of any EUROCHAM Cambodia contracts;
- Prepare the Internal Rules of EUROCHAM Cambodia to be submitted to the approval of the Board of Directors;
- Propose the annual Budgets of EUROCHAM Cambodia to be submitted to the approval of the Board of Directors;
- Propose activities that it considers desirable or necessary for EUROCHAM Cambodia to operate;
- Prepare the accounts of EUROCHAM Cambodia to be submitted to the approval of the Board of Directors;
- Report on EUROCHAM Cambodia's activities to the Board of Directors;
- Prepare the decisions of the Board of Directors;
- Implement the decisions of the Board of Directors.

CHAPTER VIII

Budget and Source of Resource

Article 22: The Budget and source of revenue of EUROCHAM Cambodia shall derive and originate from:

- Contributions and fees of members;
- Grants or donations from local and international organisations; and
- Miscellaneous revenues derived from its services.

Article 23: All EUROCHAM Cambodia's expenses must be approved within its budget or, if not so approved, requires prior written approval by the Chairman or Board of Directors.

CHAPTER IX
Statute Amendment, Dissolution and Liquidation

Article 24: Until the first Ordinary General Meeting following the acceptance of these Statutes by the Founding Associations, modifications of the Statutes shall be effective if supported by a majority vote 50% + 1 of the Board of Directors including at least one representative of each of the three Founding Associations.

After such first Ordinary General Meeting, modifications to these Statutes may only be made at an Extraordinary General Meeting called for such purpose.

Any proposal for amendment of the Statutes presented for approval to General Meetings must have the prior approval a majority vote 50% + 1 of the Board of Directors including at least one representative of each of the three Founding Associations Any such proposal shall be submitted to the Board of Directors at least a month prior to the proposed General Meetings at which the amendments will be considered.

Article 25: Matters not addressed in these Statutes shall be dealt with in EUROCHAM Cambodia's Internal Rules.

Article 26: Should the Board of Directors decide that EUROCHAM Cambodia is not able to continue operating, the Board of Directors shall convene an Extraordinary General Meeting to:

- Vote for an election to wind up EUROCHAM Cambodia;
- Form a commission to liquidate moveable and immoveable property of EUROCHAM Cambodia;

CHAPTER X
Final Provisions

Article 27: Members of EUROCHAM Cambodia must strictly comply with the Statutes and EUROCHAM Cambodia's Internal Rules.

Article 28: Members of EUROCHAM Cambodia at all levels must respect the Constitution of the Kingdom of Cambodia, Laws and Regulations of the Royal Government, as well as related international laws.

Phnom Penh, May 2013

Dominique Yves Catry
CHAIRPERSON