



Articles of Association

Cloud Infrastructure Services Providers in Europe (CISPE)

Non-Profit Association
Avenue Louise 87, 1050 Brussels (Belgium)
Company number: VAT 666.662.093 RLP Brussels

***** Unofficial English translation - for convenience purposes only *****

Version of the Articles of Association as adopted by the General Assembly on 31 October 2016, and as modified by the extraordinary General Assembly on 20 October 2017 and 12 December 2018

Title I: Legal form - Name - Registered office - Duration

Article 1 Legal form and name

1.1 Legal form

The Association is incorporated as a Belgian non-profit association (in short "ASBL") and is governed by Title I of the Belgian Act of June 27, 1921 relating to non-profit associations, international non-profit associations and foundations (hereinafter, the "Act").

1.2 Name

The Association is named "Cloud Infrastructure Services Providers in Europe", in short "CISPE" (hereinafter, the "Association").

The name may be used in full or in abbreviated form or both and must at all times be preceded or followed by the words "non-profit association" or their abbreviation "ASBL".

Article 2 Registered office

The registered office of the Association is established Avenue Louise 87, at 1050 Brussels, Belgium.

The Association is located in the judicial district of Brussels.

This registered office can be transferred to any other address in Belgium by a resolution of the General Assembly, in compliance with the applicable legal provisions relating to the use of languages.

Any transfer of the registered office must be published in the Annexes to the Belgian Official Gazette, which is to be taken care of by the Board of Directors.

Further administrative or operational offices may be established in Belgium or abroad, by resolution of the Board of Directors.

Article 3 Duration

The Association is incorporated for an indefinite duration.

Title II: Objective and activities

Article 4 Objective and activities

4.1 Objective

The non-profit objective of the Association (hereinafter, the "Objective") is to develop the understanding of and promote the use of cloud infrastructure services in the European Economic Area (EEA).

4.2 Activities

The Association shall carry out acts, take steps and commit to all activities that are deemed appropriate or useful in view of achieving its Objective. This includes, among other things:

- to develop and promote the understanding of cloud infrastructure services by customers, European Institutions, national governmental entities, competent supervisory authorities and professional organisations; and
- to develop, manage and update a data protection Code of Conduct for Cloud Infrastructure Services Providers (hereinafter, the "Code of Conduct" or "Code") to guide customers in assessing whether cloud infrastructure services are suitable for the processing of personal data that they wish to perform.

More generally, the Association may carry out all activities that directly or indirectly relate to the realization of its Objective. The Association may acquire, give or take on lease(s), build, alienate or exchange all movable and immovable goods, of exploitation or equipment, and in a general way undertake all accessory commercial, industrial or financial operations relating directly or indirectly to its Objective, including the subcontracting in general and the acquisition and exploitation of all intellectual property rights and industrial or commercial property rights relating thereto; all within the limits authorized by the Law, and the proceeds of which will, at all times, be affected to the realization of the non-profit Objective.

Title III: Membership

Article 5 Members

5.1 Composition

5.1.1 Members

The Association is composed of the founding members as described in Annex I and non-founding members (together referred to as the "members").

The number of members may not be less than six (6) and only entities with legal personality may become members, at the exclusion of natural persons.

5.1.2 Adherents

The Association is also composed of adherents (together referred to as the "adherents"), i.e.:

- companies affiliated to existing members of the Association that joined the Association pursuant to these Articles of Association (together referred to as the "affiliated adherents"); or
- any other third company that has a link with the Association or its members and that joined the Association pursuant to these Articles of Association (together referred to as the "third-party adherents").

5.2 Rights

5.2.1 Rights of members

The members have the following rights:

- participating to the General Assembly;
- voting at the General Assembly;
- calling for an Extraordinary General Assembly when the conditions of Article 13.2 are met;
- participating in the activities of the Association, including the Code of Conduct Task Force and working groups and task forces; and
- resigning from the Association as described in Article 7.2.

5.2.2 Rights of adherents

The adherents have the following rights:

- attending the General Assembly as observers, without voting right;
- participating in the activities of the Association, including the Code of Conduct Task Force and working groups and task forces; and
- resigning from the Association as described in Article 7.2.

5.3 Obligations

The members and the adherents have the following obligations:

- to comply at all times with the Articles of Association, the Internal Governance Rules (as referred to under Article 34) and all decisions of the governing bodies of the Association; and
- to pay a nominal annual financial contribution determined by the Board of Directors: the Membership fee, as further detailed in Article 8.

5.4 Register of members and adherents

The Board of Directors keeps the register of members and adherents at the registered office of the Association.

Article 6 Application for membership

6.1 Eligibility requirements

6.1.1 Members and affiliated adherents

Any legal entity that meets the following cumulative requirements is eligible to be considered for membership of the Association as member or affiliated adherent:

- it or other entities in its corporate group provides cloud infrastructure services to customers in the European Economic Area; and
- at least one of its cloud infrastructure services provides the customer the ability to choose to use the service to store and process its data entirely within the European Economic Area.

Only one legal entity per group, meeting the above-mentioned criteria, may be considered for membership of the Association as a member, the other entities of the group being however able to apply for membership of the Association as affiliated adherents.

6.1.2 Third-party adherents

Any legal entity that does not meet all of the requirements mentioned in Article 6.1.1 above may however apply for membership of the Association as third-party adherent.

The Board of Directors has the power to accept or refuse any application as third-party adherent, at its sole discretion, without having to justify its decision.

6.2 Application

The applicants must send a written request for their candidature to the Board of Directors, mentioning the following information:

- their identity, address and legal form (if applicable);
- the information evidencing that they fulfil the criteria set out in Article 6.1; and
- if not already the case, a written confirmation that they intend that one or more of their cloud infrastructure services will be declared in adherence with the Code of Conduct within the six (6) months after they join the Association. This condition does not apply to third-party adherents.

Except in the event provided under Article 7.2, paragraph 3, the Board of Directors has the power to accept or refuse any application, whether as a member, affiliated adherent or third-party adherent, at its sole discretion, without having to justify its decision.

The Board of Directors can also decide to extend the above mentioned six (6) months period for the new members to have one or more of their cloud infrastructure services be declared in adherence with the Code of Conduct.

Article 7 Termination of membership

7.1 Termination

Membership can be terminated by resignation by the relevant member or adherent or by exclusion by the General Assembly. Membership can also be temporarily suspended by the Board of Directors in accordance with Article 7.3.

Membership also comes to an end automatically in case of liquidation of a member or an adherent.

7.2 Resignation

Members and adherents may resign from their membership, under the following conditions:

- resignation of a member or an adherent must be notified to the Board of Directors in writing, by registered letter or email;
- resignation of the member or the adherent will have effect upon delivery of the termination notice to the Board of Directors; and
- resigning members or adherents must have paid all accrued but unsettled contributions, including those due during the notice period, except that a resigning member or adherent will not be liable for the annual subscription fee relating to the fiscal year following the one of the end of the above-mentioned notice period if it falls due during the notice period.

Founding members can resign from their membership under the same conditions. However, any resigning founding member may designate, together with its resignation letter or email referred to under the previous paragraph, another company of the same group or affiliated in any manner which will replace it as member of the Association and which shall be considered, for the purpose of these Articles of Association, as – and shall have the same rights and obligations as – a founding member.

The Board of Directors shall acknowledge the replacement of the resigning founding member by the designated new member and shall grant it the same rights and obligations as any founding member of the Association.

7.3 Suspension

The Board of Directors may at any time, by written decision, suspend any member or adherent, in accordance with the Internal Governance Rules, for the following reasons:

- the member or the adherent is in arrears of payment with its contributions and such payment remains outstanding thirty (30) days from receipt of written notice from the Board of Directors to pay;
- after the first six (6) months of joining the Association (or after any extended period as decided by the Board of Directors) the member or the affiliated adherent does not have at least one of their cloud infrastructure services declared in adherence with the Code of Conduct;
- the member or the adherent is in material breach of the Code of Conduct and the material breach remains uncured for a period of thirty (30) days from the receipt of written notice from the Board of Directors;
- the member or the adherent commits any criminal offense or fraudulent misconduct;
- the member or the adherent commits gross misbehaviour, effecting the reputation of the Association; or
- if motivated by the best interest of the Association, as may be further described in the Internal Governance Rules.

The Board of Directors may at any time, by written decision, lift the suspension of a member or an adherent, in accordance with the Internal Governance Rules. Such suspension shall notably be lifted if, where possible, the reason for suspension has been cured.

The suspension shall last until the next annual General Assembly, unless indicated differently in the Board of Directors decision, or unless the member or the adherent is excluded earlier or the suspension is prolonged or lifted thereafter. Suspended members or adherents can be excluded at that next annual General Assembly. An extraordinary General Assembly meeting can also be called to vote on the exclusion of the suspended member or adherent as set out under Article 7.4 below.

7.4 Exclusion

Where the Board of Directors has suspended a member or an adherent in accordance with Article 7.3, the General Assembly may vote to exclude the relevant member or adherent by a special resolution, in accordance with the Internal Governance Rules.

The General Assembly may also exclude a member or an adherent without prior suspension by the Board of Directors, in accordance with the Internal Governance Rules. In such case, a member or an adherent may be excluded by a special resolution of the General Assembly for the same reasons as indicated in Article 7.3. Such exclusion may take place at the next annual General Assembly or at an extraordinary General Assembly convened to vote on the exclusion of a member.

The revocation of the relevant member or adherent must be included in the agenda of that General Assembly and the relevant member shall be given the opportunity to state its defence at the latest during the relevant meeting, before the resolution is voted upon. Any decision to revoke the status of a member or adherent has immediate effect, unless otherwise resolved by the General Assembly.

7.5 Consequences of suspension/exclusion

Notwithstanding suspension or exclusion, the suspended or excluded member or adherent is still liable for all accrued contributions (including those that are due within the year of its suspension or exclusion), as well as all costs which are borne by the Association in order to recover those contributions.

Resigning, suspended or excluded members and adherents and their successors shall not have any rights on the assets of the Association. Suspended members and adherents and their successors are deprived from all rights as member or adherent for the duration of their suspension.

Title IV: Financial contribution and compliance marks

Article 8 Financial contribution

8.1 Members and affiliated adherents

The members and affiliated adherents of the Association shall share the expenses of the Association by way of each member and affiliated adherent paying a subscription fee fixed annually by the General Assembly upon a proposal submitted by the Board of Directors, which shall not be less than three hundred (300) euros but shall not exceed forty thousand (40,000) euros in any fiscal year. The Board of Directors shall fix the subscription fee for the next year at least two (2) months before that fee becomes due.

When proposing the annual subscription fee, the Board of Directors will take into account:

- the relative worldwide turnover of each member and its group, except for the affiliated adherents for which only their own turnover shall be taken into account; and
- if the member or affiliated adherent is an SME (in which case such member may - within reasonable limits - be required to contribute less to the expenses of the Association).

For the purposes of the previous paragraph, an "SME" means a member or affiliated adherent:

- who employs less than five thousand (5,000) employees (if the member is a part of a corporate group, the relevant number of employees is the number employed by the corporate group); and
- with less than one (1) billion EUR in turnover based on published financial statements (if the member is a part of a corporate group, the relevant turnover is the turnover of the corporate group).

This cap on the subscription fee fixed by the General Assembly is without prejudice to:

- any agreement among the members or the affiliated adherents, in accordance with the Internal Governance Rules of the Association, to share further costs in connection with the activities of the Association; or
- any unilateral decision by a single member or affiliated member to make an additional contribution to the costs in connection with the activities of the Association.

8.2 Third-party adherent

The third-party adherents of the Association shall also share the expenses of the Association by way of each third-party adherent paying a subscription fee fixed annually by the Board of Directors on the basis of specific criteria decided and resolved upon by the Board of Directors, at its sole discretion, which shall not exceed forty thousand (40,000) euros in any fiscal year.

Article 9 Compliance certification marks and labels

The Association will develop and adopt compliance marks and/or labels to be used as a public-facing symbol of the adherence of a cloud infrastructure service to – and continued compliance with – the Code.

The Association will own all right, title and interest in and to such compliance marks and/or labels, including any and all intellectual property rights.

Subject to specific regulations to be adopted by the Board of Directors as part of the Internal Governance Rules, members and adherents will hold a license as such for so long as they will be permitted to use those marks or labels under the Code.

Fees relating to license shall be included in the fees already charged to members and adherents for declaring their adherence to the Code.

Title V: Organisation

Article 10 Structure

The Association's governance is ensured by the following bodies:

- General Assembly (Title VI): and
- Board of Directors (Title VII).

The Association's activity is supported by the following bodies: Code of Conduct Task Force (Title VIII) and working groups and task forces (Article 17.8).

Title VI: General Assembly

Article 11 Composition

The General Assembly is composed of all current members (*i.e.*, those present as members in the register mentioned in Article 5.4 at the time of the General Assembly meeting).

Adherents have the right to attend the meetings of the General Assembly as observers (without voting right).

Article 12 Powers

A decision by resolution of the General Assembly is required for:

- the modification of the Code of Conduct;
- the modification of the Articles of Association;
- the nomination and the revocation of directors;
- the nomination and the revocation of auditors and the determination of their remuneration if any;
- granting discharge of the directors and the auditors;
- the approval of the budget and the annual accounts;
- the voluntary dissolution of the Association;
- the exclusion of a member;
- the allocation of a potential budget surplus; and
- any other case where the law or the present Articles of Association require such decision.

Article 13 Meetings

13.1 Annual meeting of the General Assembly

The annual meeting of the General Assembly of the Association shall be convened each year, within six (6) months following the closing date of the fiscal year, by the Chair of the Board of Directors (or a named substitute) and shall meet at the place, date and time determined by the Chair of the Board of Directors (or a named substitute).

13.2 Extraordinary meetings of the General Assembly

An extraordinary meeting of the General Assembly shall be convened upon:

- a decision of the Board of Directors; or
- a request filed by at least one-fifth (1/5) of the members of the Association to the Board of Directors in writing, such request stating the reasons that such extraordinary General Assembly is requested.

13.3 Convocation and invitation

13.3.1 Convocation to the members

The Board of Directors will provide all members, at least fifteen (15) days prior to the meeting, with a convening notice of any meeting of the General Assembly, by letter or electronic mail, unless in exceptional urgent cases, in which case the notice period shall be reduced to seven (7) days or any shorter notice period as reasonably justified by the circumstances.

The notice will specify the date, time and location of the meeting and the agenda, as ultimately determined by the Board of Directors.

A point may be added to the agenda if supported by at least twenty percent (20%) of the members. This point must be communicated to the Board of Directors at least seven (7) days before the meeting.

In this case, the Chair of the Board of Directors shall communicate the new agenda to the members at the latest on the day of the meeting of the General Assembly.

All legally required documents and other relevant enclosures are sent to the members at the latest ten (10) days before the General Assembly meeting date, in order for them to prepare for the meeting. In exceptional urgent cases, such documents and enclosures may be sent to member at the latest seven (7) days before the General Assembly meeting date or any shorter period as reasonably justified by the circumstances.

13.3.2 Invitation to the adherents

The Board of Directors will provide all adherents, at least fifteen (15) days prior to the meeting, with an invitation to attend any meeting of the General Assembly, by letter or electronic mail, unless in exceptional urgent cases, in which case the notice period shall be reduced to seven (7) days or any shorter notice period as reasonably justified by the circumstances.

The invitation will specify the date, time and location of the meeting and the agenda, as ultimately determined by the Board of Directors.

All documents and other relevant enclosures sent to the members pursuant to Article 13.3.1 shall also be sent to the adherents prior to the General Assembly meeting date.

13.4 Chairmanship

The meetings of the General Assembly are chaired by the Chair of the Board of Directors or, in the absence of the Chair, the vice chair, if any, or in the absence of the vice chair, if any, the oldest director present.

13.5 Remote participation

General Assembly meetings may be transmitted or broadcast live by audio or video conferencing, or any other means of transmission and/or telecommunication.

In such case, members shall vote as indicated in Article 13.6.

13.6 Remote voting

If the convening notice so provides, any member may, prior to the General Assembly meeting, vote by mail or electronically, using forms, of which the contents shall be specified in the notice and which will be made available to the members.

The form for remote voting contains at least the following information:

- the agenda of the General Assembly meeting and the proposed resolutions, and
- the term within which the Association must receive the form in order to vote remotely.

The form as returned by the members must contain the identity of the member, the address of the registered office of the member as well as its vote or its abstention with respect to each proposed resolution of the agenda, and must bear the member's signature (which may be done by digital signature in the sense of Article 1322 of the Belgian Civil Code). Non compliant forms shall be considered as void.

The dated and signed form for remote voting must be returned by letter, fax, e-mail or by any other means of communication as referred to in article 2281 of the Belgian Civil Code to the Association's registered office or to the place indicated in the convening notice and must arrive at the Association at least on the sixth (6th) business day before the date of the General Assembly's meeting, unless in exceptional urgent cases, in which case the deadline shall be reduced to the third (3rd) business day or any shorter deadline as reasonably justified by the circumstances and provided in the convocation notice.

It is possible to vote electronically on the day of such General Assembly's meeting. The Board of Directors may arrange for the remote voting to take place electronically via one or more websites. It shall establish the practical procedures for such electronic voting, ensuring that the system used allows for the inclusion of the information referred to in the second paragraph of this article and control of compliance with the prescribed time limit.

Article 14 Unanimous and written resolutions

In exceptional circumstances, when the urgency and the interests of the Association require it, the General Assembly can take decisions in writing, without being convened for a General Assembly meeting.

The Chair sends to each member a circular letter with a proposal of decision, and with the request to each member to sign the proposal and return it within a fixed term. The written decision will then be ratified at the following meeting of the General Assembly.

Written decisions cannot be taken for the approval of the draft annual accounts or the draft annual report, nor for the set up and approval of the budget.

Article 15 Decision making process

15.1 Voting rights

Each member has one vote on resolutions of the General Assembly.

15.2 Proxy

Each member can be represented at the General Assembly meeting by a proxy holder. Such proxy holder must be a member of the Association. Each member can hold a maximum of two (2) proxies. A draft proxy shall be attached to the convening notice, with the request to return the signed proxy at the latest five (5) days before the General Assembly meeting. In exceptional urgent cases justifying the reduction of the thirty (30)-day notice period, the proxy can be presented to the Chair of the General Assembly at the latest at the beginning of the meeting. The proxy shall be signed by the represented member, which may be done by digital signature in the sense of Article 1322 of the Belgian Civil Code, and shall be returned by letter, fax, e-mail or by any other means of communication as referred to in article 2281 of the Belgian Civil Code.

15.3 Quorum

If all actual members are in attendance or represented at the meeting, the General Assembly shall be deemed validly convened and no further proof of the duly convening of the meeting shall be required.

If the quorum set out in Article 15.4 is not met by the members in attendance or represented by proxy at the General Assembly meeting, a second General Assembly meeting may be convened. At such second meeting, those members in attendance or represented shall be allowed to validly deliberate no matter if the quorum requirements set out above are not met, and the members may adopt resolutions according to the relevant majority threshold prescribed below.

The second General Assembly meeting may not take place less than fifteen (15) days after the first meeting.

15.4 Majorities

A resolution of the General Assembly shall be adopted if it receives:

- For ordinary resolutions:
 - i. quorum: at least one third (1/3) of all General Assembly members voting either in person or represented by proxy; and
 - ii. majority: at least simple majority (50% +1 vote) of votes of members in attendance or represented by proxy.

- For special resolutions (being those resolutions for the modification of the Code of Conduct, these Articles of Association or the Objective and for the exclusion of a member):
 - i. quorum: at least two thirds (2/3) of all General Assembly members voting either in person or represented by proxy, with at least half (1/2) of founding members in attendance or represented by proxy;
 - ii. majority for modification of the Code of Conduct: cumulative majority of (i) at least two thirds (2/3) of members in attendance or represented by proxy and (ii) at least half (1/2) of founding members in attendance or represented by proxy;
 - iii. majority for modification of the Articles of Association: cumulative majority of (i) at least two thirds (2/3) of members in attendance or represented by proxy and (ii) at least half (1/2) of founding members present or represented by proxy;
 - iv. majority for modification of the Objective: at least four fifths (4/5) of members in attendance or represented by proxy; and
 - v. majority for exclusion of a member: at least two thirds (2/3) of members in attendance or represented by proxy.

Invalid, blank votes and abstinences are not taken into account for the calculation of the majorities. In the event of a tie vote, a second vote shall be held. In case the second vote presents a tie vote, the Chair of the General Assembly meeting (as described in Article 13.4) shall have a casting vote.

Article 16 Minutes

The resolutions of the meetings of the General Assembly must be recorded in minutes. The minutes of the meetings of the General Assembly are produced by the any person designated by the Board of Directors and are signed by the Chair of the Board of Directors.

The minutes will be kept in a minutes-book at the registered office of the Association. The minutes will be made available to the members and to third-parties with legitimate interest, upon request. The Board of Directors has full discretion to grant or refuse (without reason) such access to third-parties.

Title VII: Board of directors

Article 17 Composition, appointment and termination

17.1 Composition

The Association is managed by a Board of Directors composed of a minimum of five (5) and a maximum of ten (10) directors. The directors are appointed by the General Assembly, amongst the candidates presented by the members (as described in Article 17.2), and they can be dismissed by the General Assembly at any time without cause (as described in Article 17.5).

At all times, the Board of Directors must be composed of at least five (5) directors elected amongst the candidates presented by the founding members (as described in Article 17.2) (the "Founding Members Directors"). The remaining directors, if any, will be elected amongst the candidates presented by any of the non-founding members (the "Non-Founding Members Directors" and, together with the Founding Members Directors, the "directors").

The number of directors must in all circumstances be fewer than the number of members of the Association.

The directors do not, in the framework of their function, contract any personal obligation and are not responsible, except vis-à-vis the Association for the performance of their mandate.

17.2 Appointment process

Except for the first mandate of the Founding Member Directors appointed in accordance with – and for the term set forth in – the initial resolution of the founding members, directors are elected and appointed by the General Assembly for a term of three (3) years, renewable for an additional term of three (3) years, amongst the candidates presented by the members.

The presentation of candidates to the Board of Directors by the members will be as follows:

- Founding Member Directors: The Chair, upon decision of the Board of Directors, communicates to all founding members of the Association (a) the vacancies of Founding Member Directors in the Board of Directors which will come up for election at the following General Assembly, and (b) the deadline for applications to be sent to the Chair (provided that such deadline shall not be less than one (1) calendar month from the date the Chair first communicates the vacancies in the Board of Directors to the founding members).

Each exiting Founding Member Director shall be replaced by a new Founding Member Director elected by the General Assembly amongst the candidates presented, seat for seat, by the founding member who originally presented the candidacy of such exiting Founding Member Director.

Would the number of founding members be below five (5) at the time of the election or would one or more founding members not be in a position to present candidates for the open seats of Founding Members Directors, the other founding members will resolve together, by consensus, to present candidate(s) for the vacant seat(s) at stake.

Applications from the candidates for Board of Directors election must:

- be in writing,
- be sent to the Chair of Board of Directors by the deadline stipulated by the Chair; and
- state the principal reasons and motivations of the candidate for his/her application, the name of the founding member presenting such candidate.

The application(s) is (are) acknowledged by the Board of Directors which will establish for each open seat of Founding Member Director the list of candidates complying with the above requirements. From that moment on, an application cannot be withdrawn.

- Non-Founding Member Directors: The Chair, upon decision of the Board of Directors, communicates to the members of the Association (a) the vacancies of Non-Founding Member Directors in the Board of Directors which will come up for election at the following General Assembly, and (b) the deadline for applications to be sent to the Chair (provided that such deadline shall not be less than one (1) calendar month from the date the Chair first communicates the vacancies in the Board of Directors to the members).

To be eligible to present candidates to the Board of Directors, a non-founding member must, directly or through any affiliated company of its group, comply with the two following cumulative conditions:

- derive a significant part of its income from the delivery of cloud infrastructure services; and
- either own or exercise effective control of the underlying physical computing infrastructure for their cloud infrastructure service (*i.e.*, an IaaS provider using housing/colocation services is eligible, but IaaS providers relying on other IaaS providers are not).

For the purposes of the previous paragraph, a "significant part" means that:

- at least thirty percent (30%) of the turnover of the company at stake derives from the delivery of cloud infrastructure service; or
- the turnover of the company at stake deriving from the delivery of cloud infrastructure service amounts at least to EUR 100,000,000; or
- the company at stake is recognized as a major cloud infrastructure service provider by at least two different reputable market analyst.

Each non-founding member eligible to present candidates to the Board of Directors may only present candidates for one open seat of Non-Founding Member Director per election.

Applications from the candidates for Board of Directors election must:

- be in writing,
- be sent to the Chair of Board of Directors by the deadline stipulated by the Chair; and
- state the principal reasons and motivations of the candidate for his/her application, the name of the non-founding member(s) presenting such candidate and the evidence of the compliance by such member(s) with the two abovementioned eligibility conditions.

The application(s) is (are) acknowledged by the Board of Directors which will establish for each open seat of Non-Founding Member Director the list of candidates complying with the above requirements. From that moment on, an application can normally not be withdrawn.

The application(s) are strictly confidential until communicated by the Board of Directors to the General Assembly.

Subject to the minimum requirements for the composition of the Board of Directors below, the General Assembly appoints the candidates proposed by the Board of Directors on the basis of a simple majority (50% +1 vote), through an ordinary resolution. In the event there are more candidates than vacancies, the candidate(s) elected at simple majority who received the most votes will ultimately be appointed as director(s), taking into account that in the event two (2) or more directors received the same amount of votes, the oldest of such candidate(s) will ultimately be appointed as director(s).

If following the appointment process the total number of directors on the Board of Directors is between six (6) and ten (10) (inclusive), then at least half of Non-Founding Member Directors must:

- represent members who are SMEs; and
- members who have their global headquarters, at corporate level, in an EU/EEA member state,

provided that, at any time, taking into account both Founding Member Directors and Non-Founding Member Directors, the directors on the Board of Directors must together represent members who have their global headquarters, at corporate level, in at least three (3) different EU/EEA member states.

For the purposes of the previous paragraph, "SME" shall have the meaning given to it in Article 8 (Financial contribution).

17.3 Invitees

The Board of Directors can decide to invite representatives from the European Union Commission to attend Board of Directors meetings under a non-voting observer status.

17.4 Remuneration

The mandate of directors is not remunerated, unless a resolution of the General Assembly provides otherwise.

17.5 Termination

The mandate of a director terminates in case of:

- voluntary resignation,
- death,
- civil incapacity or placement under temporary judicial supervision,

- termination of the employment, self-employment or contractual relationship of the director by the member which presented the director as a candidate to the Board of Directors or another company in that member's corporate group,
- termination of membership of the member which presented the director as a candidate to the Board of Directors, except if (i) such termination is the consequence of the resignation of a founding member in accordance with Article 7.2, first paragraph and (ii) the new designated member as per Article 7.2, second paragraph informs the Board of Directors of its willingness to keep the same director in place until the end of its mandate,
- dismissal, or
- expiry of the duration of the director's mandate.

Directors can be dismissed at any time by a decision of the General Assembly.

In case of resignation, the resigning director must give a fifteen (15) days prior written notice to the Board of Directors. The remaining directors may temporarily designate an interim replacement director who continues the mandate of his/her predecessor until the members have had reasonable time to replace him/her at an extraordinary General Assembly meeting. Such extraordinary General Assembly meeting shall be convened no more than three (3) months from the date of the resignation notice. At the relevant extraordinary General Assembly the interim replacement director's mandate will end and the vacancy on the Board of Directors will be filled following the process in Article 17.2.

In case of a premature vacancy of a mandate resulting from death, civil incapacity, placement under temporary judicial supervision, termination of the employment, self-employment or contractual relationship, termination of membership, or dismissal, the remaining directors may temporarily designate an interim replacement director who continues the mandate of his/her predecessor until the next extraordinary General Assembly, such extraordinary General Assembly meeting shall be convened by the Board of Directors no more than three (3) months from the date of the resignation notice. At such extraordinary General Assembly, the vacant seat shall be filled following the process in Article 17.2, so that a new director shall be appointed, this for the initial term of the replaced director.

17.6 Chair, vice chair and treasurer

The Board of Directors elects among its members a Chair, and (at their discretion) a vice chair and a treasurer for a period of three (3) years, unless decided otherwise. The Chair, the vice chair and the treasurer can be reappointed for one additional term of three (3) years, provided that their mandate as director of the Association is also renewed. The election of the Chair, vice chair or treasurer of the Board of Directors and his/her dismissal shall require a majority of three fourths (3/4) of the votes of all members of the Board of Directors. In electing the vice chair, the Board of Directors will take due consideration of the recommendations of the Chair.

17.7 Delegation of powers

The Board of Directors may delegate the daily management of the Association, the management of one or several of its sectors of activity or the implementation of the decisions of the Board of Directors, to one or more directors or other persons.

17.8 Working groups and task forces

The Board of Directors has the power to establish one or more permanent or temporary working groups and task forces – such as a Policy Task Force or a Public Communication and Marketing Task Force – to consider specific matters of common interest within the Objective of the Association. It defines their composition and their powers.

17.9 Representation

Notwithstanding the general power of the Board of Directors as a collegial body, the Association is validly represented in and out of court, by either:

- special proxy holders, acting within the limits of the powers granted to them;
- the Chair of the Board of Directors, acting singly; or
- two (2) directors, mandated by the Chair, acting jointly.

As to the day to day management, the Association is also validly represented in and out of court by one or more persons charged with the day to day management, acting alone or jointly in accordance with the delegation resolution of the Board of Directors.

Article 18 Powers

The Board of Directors has the authority to carry out all actions that are useful or serve to achieve the Objective, with the exception of those that according to law or the present Articles of Association are reserved to the General Assembly.

More specifically, but not exclusively, the Board of Directors is responsible for:

- the drafting of the annual report;
- the decision on applications to become a member and their suspension;
- the fixation of the date and the agenda of the General Assembly Meetings;
- the supervision of the use of the funds of the Association;
- the lease of offices and the opening of branches according to the needs of the Association;
- the hiring of administrative staff and the determination of their remuneration; and
- the drafting and approval of Internal Governance Rules.

The Board of Directors can, under its responsibility, delegate the daily management or part of its powers to one or more directors or to third parties who are not directors. The Board of Directors shall determine in writing the scope of such powers.

In pursuing the Objective of the Association, the Board of Directors is notably competent to accomplish the following tasks:

- approve and, once adopted by the General Assembly, submit modification or updates of the Code of Conduct to the competent supervisory authorities and/or associations representing the interests of cloud infrastructure service users;
- approve guidelines for adherence to the Code of Conduct;
- approve compliance marks or labels that may be used by cloud infrastructure service providers adhering and measures to ensure that those compliance marks are not abused;
- approve the licensing of compliance marks by the Association to cloud infrastructure service providers adhering to the Code of Conduct;
- approve or refuse the admission of new members;
- propose to the General Assembly the amount of membership fees for members (financial contribution);
- appoint a special complaints committee (elected by a simple majority of directors) to propose and implement appropriate procedures to decide upon complaints of non-compliance with the Code of Conduct, taking into account the need for impartiality and fair proceedings;
- suspend or revoke a cloud infrastructure service provider's declaration of adherence with the Code based on the recommendation of the special complaints committee due to non-compliance with the Code of Conduct;
- initiate a review of the Code of Conduct (where necessary by adopting an annual work programme in consultation with the European Commission); this may be done on its own initiative (by a joint request from a least two (2) board members) or upon a request from at least ten percent (10%) of the members; and
- develop and improve the governance of the Code of Conduct.

One director or ten percent (10%) of members may propose to examine a substantive matter or a new initiative to the Board of Directors.

In case such proposal is made, the Board of Directors must examine it and decide whether or not it shall pursue it, at the latest six (6) months after the date of said proposal.

Article 19 Meetings

19.1 Convocation

The Board of Directors meets at least three (3) times a year. The Board of Directors also convenes each time when required by the interests of the Association at the request of three (3) directors, who send their written request to the Chair, or at the request of the Chair.

At least fifteen (15) days before the meeting, a convocation notice must be sent by the Chair to each director either by letter, e-mail or any other communication device which produces a written document, unless in exceptional urgent cases, in which case the notice period is reduced to seven (7) days or any shorter notice period as reasonably justified by the circumstances.

The convocation notice shall include the agenda of the meeting, the time, date and place where the meeting is to be held, which shall be either at the registered office or at any other place as indicated on the convocation notice.

19.2 Chairmanship

The Chair, or, in the absence of the Chair, the vice chair, if any, or in the absence of the vice chair, if any, the oldest director present, shall chair the meetings of the Board of Directors.

19.3 Remote participation

Meetings of the Board of Directors may be transmitted or broadcast live by audio or video conferencing, or any other means of transmission and/or telecommunication.

19.4 Unanimous and written resolutions

In exceptional circumstances, when the urgency and the interests of the Association require it, the Board of Directors can take decisions in writing, without being convened for a Board meeting.

The Chair sends to each director a circular letter with a proposal of decision, and with the request to each director to sign the proposal and return it within a fixed term. The written decision will then be ratified at the following meeting of the Board of Directors.

Written decisions cannot be taken for the approval of the draft annual accounts or the draft annual report, nor for the fixation of the budget.

Article 20 Decision making process

20.1 Voting rights

Each member of the Board of Directors has one vote for each resolution of the Board of Directors, except in the event a casting vote from the Chair is needed (as further explained under Article 20.4).

20.2 Proxy

Each director can be represented at Board of Directors meetings by a proxy holder. Such proxy holder must be a member of the Board of Directors. A proxy holder may represent a maximum of two (2) Directors. The proxy shall be signed by the represented director, which may be done by digital signature in the sense of Article 1322 of the Belgian Civil Code, and shall be returned by letter, fax, e-mail or by any other means of communication as referred to in article 2281 of the Belgian Civil Code.

20.3 Quorum

The Board of Directors can validly resolve if at least the majority of the directors is in attendance or represented.

Votes are usually cast by a show of hands or equivalent acknowledgment, unless requested differently by a member of the Board of Directors at the start of the meeting.

In that case, votes are cast by secret ballot, managed by a delegate of the Board of Directors, under the supervision of the Chair or in case of conflict of interest, by any other member of the Board of Directors.

20.4 Consensus and majorities

Provided quorum is reached, decisions of the Board of Directors are made by consensus of all Board of Directors members in attendance or represented.

Members undertake to only sustain opposition to consensus or broad majority view in situations where, in their view, their own highly important interest is threatened. The reason for their reservations must be stated, in a formal written communication to the Chairperson of the Board of Directors, with copy to the members of the Board of Directors.

If no consensus is reached, the Chair can put the resolutions to the vote.

Provided quorum is reached, resolutions of the Board of Directors shall then be taken by a two-thirds (2/3) qualified majority vote of directors who are in attendance or represented by proxy. In the case of an equality of votes, the Chairperson of the Board of Directors shall be entitled to a casting vote in addition to any other vote he / she may have.

Article 21 Minutes

The resolutions of the Board of Directors must be recorded in minutes. The minutes must be signed by the Chair or by two Directors.

The minutes and their annexes are kept in a special minutes book at the registered office of the Association, in their original material form, or in a secured electronic form provided that durability, legibility, integrity and truthful reproduction are guaranteed.

Directors can consult the minutes at the registered office or receive a copy.

Excerpts can be delivered to third parties who can justify a legitimate interest thereto. Unless otherwise determined by law or by the Board of Directors, copies or excerpts of the minutes, when sent to third parties or to be used in legal proceedings, must be signed by the Chair of the Board of Directors or by two Directors.

Title VIII: Code of Conduct Task Force (CCTF)

Article 22 Roles and activities

The CCTF's roles and activities will include:

- review and propose changes to the Code of Conduct to the Board of Directors;
- express a non-binding opinion on proposed changes to the Code of Conduct presented by the Board of Directors;
- propose guidelines for adherence to the Code of Conduct to the Board of Directors;
- recommend auditors, norms and certification schemes which will be considered as suitable for demonstrating adherence to the Code of Conduct by certification by independent third party auditors; and
- develop the compliance marks for the Code of Conduct and guidelines for use of the compliance marks and propose the same to the Board of Directors.

In order to fulfill its task, the CCTF may organise any written consultation or audits that is necessary.

Article 23 Composition

The CCTF shall be composed of a maximum of twelve (12) individuals that have proven (i) expertise related to cloud computing and/or data protection, and/or (ii) understanding of cloud computing business models.

The CCTF will act vis-à-vis the Association for the performance of its roles and activities, through representatives appointed by the Board of Directors at the simple majority (50% +1 vote) amongst candidates presented by the members of the Association.

External observers (such as academics, customers, regulators or any other stakeholder) may also be appointed by the Board of Directors but will only participate to the discussions of the CCTF which are open to external observers and then only with consultative voice.

Representatives in the CCTF may be removed or replaced by the Board of Directors from time to time by a decision on simple majority (50% +1 vote).

The rules of functioning of the CCTF will be further defined by the Board of Directors in the Internal Governance Rules.

Title IX: Other clauses

Article 24 Fiscal year and annual accounts

The financial year of the Association starts on 1 January and ends on 31 December of each year.

However, the first financial year begins on the date of the incorporation of the Association and shall end on 31st December 2017.

At the end of each financial year, the Board of Directors draws up the balance sheet, the profit and loss-account and its annexes. These shall be submitted for the approval of the General Assembly by the Board of Directors at the latest six (6) months after the end of the fiscal year.

The approved annual accounts must be deposited by the Board of Directors at the Belgium National Bank within thirty (30) days of their approval.

The accounting shall be done in accordance with applicable laws and regulations.

Article 25 Audit

If so required pursuant to applicable law, the audit of the financial situation of the Association, of the annual accounts, and of the compliance with applicable law and the present Articles of Association of the operations to be included in the annual accounts, shall be entrusted to one or more statutory auditors, to be appointed by the General Assembly among the members of the Institute of Company Auditors.

The auditors are appointed for a renewable term of three (3) years. The fees of the auditors consist of a fixed amount determined at the beginning of their mandate by the General Assembly. Such amount cannot be changed unless parties agree.

Article 26 Costs

The costs for the Association's activities should be covered by the members' and adherents' financial contributions and fees that cloud infrastructure service providers pay to obtain the approval of a Declaration of Adherence. Fees to obtain the approval of a Declaration of Adherence shall be cost-based (kept as accessible as possible taking into account only the real expenses related to the reviewing the Declaration of Adherence) and approved by the Board of Directors.

Every member and adherent, and their representatives, as well as any member of the Board of Directors, and the Chairperson of the Board of Directors shall bear all their own costs in connection with the performance of their activities for the benefit of the Association.

Article 27 Amendments to the Articles of Association

The Articles of Association can be amended at any time by special resolution of the General Assembly in accordance with Article 15.4. The Board of Directors can suggest to the General Assembly modifications of these Articles of Association.

The General Assembly cannot validly resolve upon a modification of the Articles of Association unless the modification was included in the convocation notice.

Article 28 Dissolution

In case of dissolution of the Association, the General Assembly establishes the method of dissolution, designates the liquidator(s) and determines their fees.

The liquidator(s) shall determine the distribution of the net assets of the Association. The assets must in any event be allocated to a disinterested purpose as close as possible to the Objective of the Association as set forth in Article 4.

No member or adherent of the Association shall be held liable for any remaining debts and liabilities of the Association prior to, during or after the dissolution procedure. The members of the Board of Directors of the Association are not liable if they have acted within their powers. Should the Board of Directors have exceeded their powers or neglected their obligations, they may be held personally liable.

Article 29 Internal Governance Rules

The Board of Directors shall adopt the Internal Governance Rules, which will specify, implement and supplement the provisions of these Articles of Association.

Internal Governance Rules are adopted by a two thirds (2/3) majority of members of the Board of Directors in attendance or represented by proxy.

Changes to the Internal Governance Rules will be announced to all members and adherents together with a list of differences with respect to the previously valid version.

In case of discrepancies between the Internal Governance Rules and these Articles of Association, the latter shall prevail.

Article 30 Language

The official working language of the Association is English. However, any official publication by the Association shall be made in accordance with the applicable legal language requirements.

These Articles of Association have been prepared in French and translated into English. In case of doubt, divergence or interpretation problems between the two versions, the French version shall prevail.