

UNOFFICIAL TRANSLATION

Draft Articles of association of International Cadmium Association

INTERNATIONAL CADMIUM ASSOCIATION¹ **ARTICLES OF ASSOCIATION**

ARTICLE 1: NAME

There is hereby incorporated an international non-profit association, named “International Cadmium Association”, in short “ICdA”.

The Association is governed by the provisions of Title III of the Belgian law of June 27, 1921, concerning non-profit associations, international non-profit associations and foundations (Articles 46 through 57).

ARTICLE 2: PRINCIPAL OFFICE

The principal office of the Association is at Avenue de Tervuren, 168/ Box # 4, 1150 Brussels, Belgium.

It may be transferred to any other location in Belgium by decision of the Board of Directors, to be published in the annexes to the Belgian Official Gazette and to be communicated to the *Service public fédéral Justice* within one month of the adoption of the decision.

ARTICLE 3: PURPOSE

The Association is a non-profit organization. Its primary purpose is to promote the general interests of the cadmium industry on the basis of a long term vision and strategic plan.

For that purpose, the Association may undertake or further any activity, research, survey or communication campaign, provided that they are compatible with its legal statute and that they are directly or indirectly related to the accomplishment of its purpose. The Association may collect any information relating to the development of the cadmium industry and ensure, if applicable, the representation of its members at any private or public organization and at any national or international authority.

The Association may collect and manage capital, lease any real and personal property, hire personnel, enter into agreements, hold a participation in non-commercial organizations, and generally engage in any activities that are necessary for the promotion, at world level, of the cadmium industry and its image.

¹ [Name: International Cadmium Association or Association Internationale du Cadmium]

ARTICLE 4: MEMBERS

(a) Members

Membership to the Association shall be open to companies located in Belgium and any worldwide location.

Membership shall be open to any physical person, legal entity or industry association representing these legal entities, active in the production, use or consumption of cadmium or in cadmium containing products, and paying the membership contributions determined by the Board of Directors in accordance with Article 6 of these Articles of Association.

The Members include:

- Category A Member: the International Zinc Association (IZA) is designated as Category A Member by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category B Members: the cadmium producing Members designated cadmium recycling Members designated as Category B Members by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category C Members: the cadmium recycling Members designated as Category C Members by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category D Members: the cadmium oxide producing Members designated as Category D Members by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category E Members: the cadmium battery consumer Members designated as Category E Members by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category F Members: the cadmium pigment consumer Members designated as Category F Members by the Board of Directors at the admission procedure set forth in Article 5.1.
- Category G Members: the Members belonging to no other category of Members and designated as Category G Members by the Board of Directors at the admission procedure set forth in Article 5.1.

(b) Associate Members

The Associate Members include all physical persons and legal entities active in the cadmium sector (or a subsidiary or branch of a company active in the cadmium sector) who does not pay the membership contributions in accordance with Article 6 of these Articles of Association.

ARTICLE 5: ADMISSION, RESIGNATION, EXCLUSION

5.1. Admission

The admission of new Members and Associate Members is subject to the approval of the Board of Directors.

As soon as the membership application of a candidate has been approved by the Board of Directors, the candidate shall be admitted as Category B, C, D, E, F or G Member or Associate Member and shall benefit from all the rights – and be subject to all the obligations – provided for in these Articles of Association, the regulations of the Association and any other decisions adopted by the Association’s governing bodies.

Since the qualification as Member or Associate Member is granted *intuitu personae*, the member shall inform the Association without delay of any substantial modification that may occur in its legal statute, shareholdership, partnership or control.

The Members shall have the right to attend general meetings with a deliberating vote. The Associate Members shall have the right to attend general meetings but have an advisory vote.

At their membership application, the members who are legal entities shall communicate to the Association the name of the persons that will represent them in the framework of their relationship with the Association. They shall inform the Board of Directors by registered mail of any change in their representation.

5.2. Resignation

Each member is free at any time to resign from the Association, subject to a written notice sent to the Chairman of the Board of Directors by registered mail. A member’s resignation shall take effect at the end of the year following the year it is submitted; therefore, contributions for the current and for the following year will be payable. Such a resignation does not exempt the member from its obligation to pay the usual contributions that may be due for that current year.

Any Member failing to pay its contributions within the month following reception of the request for payment by registered mail, shall be considered as having resigned.

5.3. Exclusion

Any member who fails to comply with these Articles of Association or whose conduct harms the Association, may be excluded. The exclusion of a member may be proposed by the Board of Directors, after having heard the interested party’s defense, and can only be pronounced, if applicable, by the general meeting by a confidential vote cast by a two-third majority of the members present or represented.

Such exclusion does not exempt the member from its obligations to pay the usual contribution that may be due for the current year.

ARTICLE 6: CONTRIBUTIONS

At the proposal of the Board of Directors, the general meeting shall determine the annual contributions to be paid by the Members and the date of payment thereof.

ARTICLE 7: GENERAL MEETING

7.1. Powers

The general meeting shall have all powers necessary for the accomplishment of the purpose of the Association. It shall in particular have the power to:

- establish the by-laws of the Association;
- determine the contributions;
- approve the budget as proposed by the Board of Directors;
- appoint and revoke the directors and, if applicable, the auditors;
- approve the financial statements of the fiscal year and release the directors and, if applicable, the auditors, from their duties;
- amend these Articles of Association;
- amend the by-laws of the Association;
- dissolve the Association, and decide the dissolution and liquidation method of the Association.

7.2. Composition

The general meeting shall be composed of all members of the Association.

Each Member shall be entitled to one vote.

Each member may be represented by another Member.

Associate Members may attend the meetings with an advisory vote.

The Chairman of the Board of Directors or, in his absence, one of the Vice Chairmen of the Board of Directors, presides over the general meeting. The Chairman may designate a secretary. The general meeting may elect one or more tellers from among its members.

7.3. Meeting and convocation

An ordinary general meeting shall be held at least once a year at the principal office of the Association or at any other place indicated in the notice of meeting.

General meetings shall be called by decision of the Board of Directors, its Chairman, or at the request of at least one-fifth of the Members. Notices of meetings are given by mail, telecopy, e-mail or any other written means of communication at least eight days prior to the date of the general meeting. The notice contains the agenda.

Extraordinary general meetings may be called subject to the same conditions, by decision of the Board of Directors, its Chairman, or at the request of at least one-half of the Members.

7.4. Resolutions

The general meeting may act validly only if one-half of the Members are present or represented. If this quorum is not reached, a new general meeting may be called within one month, with the same agenda, which shall definitively and validly decide, irrespective of the number of members present or represented.

Any Member and Associate Member may, by a written notice sent to the Association, authorize any other member to represent it at a general meeting. A Member may only authorize another Member to represent it at a general meeting.

No member may receive more than five proxies.

The items that are not included in the agenda of the general meeting may not be decided.

Resolutions shall be adopted by a simple majority of the Members present or represented, except in those cases where the Articles of Association provide otherwise.

The minutes of the general meetings and the attendance lists shall be kept in a register and signed by the Chairman and Secretary. The register shall be kept at the principal office of the Association. All members can have access to the minutes at the principal office.

ARTICLE 8: AMENDMENT OF THE ARTICLES OF ASSOCIATION AND DISSOLUTION OF THE INTERNATIONAL ASSOCIATION

Without prejudice to Articles 50, §3, 55 and 56 of the law concerning non-profit associations, international non-profit associations and foundations, each proposal to amend these Articles of Association or to dissolve the association shall be made by the Board of Directors or at least two-thirds of the Members.

The Board of Directors shall inform the members of the Association, at least 15 days before the general meeting, of the date of the meeting during which the said proposal shall be decided, as well as the proposed amendments.

The general meeting may validly deliberate the proposal only if half of the Members are present or represented.

Resolutions are adopted by a majority of two thirds of the Members present or represented.

However, if the quorum is not reached, a new general meeting may be called within one month, with the same agenda, which shall definitively and validly decide the proposal and proposed amendments, irrespective of the number of members present or represented.

Amendments to the Articles of Association shall only be effective after approval by the competent authority in accordance with Article 50, §3, of the law, and after publication in the annexes to the Belgian Official Gazette, in accordance with Article 51, §3, of the said law.

The general meeting shall decide the method for the dissolution and liquidation of the Association. It shall designate one or more liquidators, determine their powers, and give them all instructions relating to the allocation of the net assets.

In all cases of dissolution, whether voluntary or after legal proceedings, the net assets, after payment of all debts and liabilities, shall be allocated to a private non-profit legal entity having a similar purpose or exercising an activity that it related to the purpose of the Association, to be decided by the extraordinary general meeting adopting a resolution relating to the liquidation. All costs and liabilities relating to the dissolution shall be divided in proportion to the members' annual contributions, within the limits of the contributions paid by them.

ARTICLE 9: BOARD OF DIRECTORS

9.1. Powers

The Board of Directors shall have the broadest possible powers for the administration and management of the Association, with the exception of those reserved to the general meeting.

The Board of Directors may delegate the day-to-day management to one or more directors or to one or more deputies whose powers it will determine.

The Board of Directors may also appoint a Treasurer whose duties it will determine.

9.2. Composition

The Board of Directors shall be composed of no less than 4 and no greater than 10 directors appointed from among the candidates nominated by the Members in accordance with the following procedure:

- IZA (Category A) may nominate three directors who are physical persons to the general meeting.
- Each member in all other categories (B, C, D, E, F, and G) may nominate one director who is a physical person or a legal entity to the general meeting.

The directors are appointed for a period of three years and are eligible for reelection. They may be revoked by the general meeting.

Their office shall be terminated in case of death, resignation, civil incapacity, provisional controlled administration, revocation or expiration of their mandate.

In case of a premature vacancy, the Board of Directors shall provisionally appoint a new director, who shall serve for the remaining mandate period of the person he replaces. The new director must be nominated by the Members of the category having nominated the director who occupied the vacancy.

The Board of Directors elects from among its members a Chairman, two Vice Chairmen and a Secretary. The Board of Directors may designate as Secretary a person who is not a director of the Association.

All documents relating to the appointment, revocation and termination of a director's office, which are established in accordance with the law, shall be communicated to the *Service public fédéral Justice*, in order to be added to the records and to be published, at the costs of the Association, in the annexes to the Belgian Official Gazette.

9.3. Meeting and convocation

Meetings of the Board of Directors shall be held at least once a year, and shall be called by the Chairman.

Notices of meetings are given by mail, telecopy, e-mail or any other written means of communication.

9.4. Resolutions

The Board of Directors may act validly only if at least one-half of its members are present or represented.

Each member may authorize another director to represent it at the general meeting. However, such a director shall not have received more than one proxy.

Resolutions of the Board of Directors shall be adopted by a simple majority of the directors present or represented. In case of a tie of votes, the Chairman's vote shall be decisive.

9.5. Minutes of the meetings of the Board of Directors

The minutes of the meetings of the Board of Directors shall be kept in a register and signed by the Chairman and Secretary. The register shall be kept at the principal office of the Association. All members can have access to the minutes at the principal office.

ARTICLE 10: REPRESENTATION OF THE ASSOCIATION VIS-À-VIS THIRD PARTIES AND IN COURT ACTIONS

Except in case of a special proxy, all documents binding the Association shall be signed by two directors, by the Chairman and the person responsible for the day-to-day management, in

compliance with the rules approved by the Board of Directors. Authorized signatories shall not be required to give proof of the powers granted to them *vis-à-vis* third parties.

The Chairman may sub-delegate to any employee of the Association special representation powers.

The association shall be validly represented in court actions, either as plaintiff or defendant, by two directors, by the Chairman, by the person responsible for the day-to-day management or by a director designated for that purpose.

All documents relating to the appointment, revocation and termination of mandates of the persons representing the international non-profit association, which are established in accordance with the law, shall be communicated to the *Service public fédéral Justice*, in order to be added to the records and to be published, at the costs of the Association, in the annexes to the Belgian Official Gazette.

ARTICLE 11: BUDGETS AND ACCOUNTS

The fiscal year of the Association shall start on January 1 and end on December 31. The first fiscal year shall commence on the date of incorporation of the Association, and end on December 31, 2005.

In accordance with Article 53 of the law, the financial statements of the past fiscal year, and the budget provided for the following fiscal year, shall each year be established by the Board of Directors, and submitted to the general meeting for approval at the next meeting.

(In accordance with Article 51 of the law, the financial statement shall be transferred to *Service public fédéral Justice*.)

One or more statutory auditors shall be charged with the audit of the financial condition, the financial statements and the regularity of the transactions reflected in the financial statements pursuant to the law and the Articles of Association. The statutory auditors shall be appointed by the general meeting of shareholders from among the members, physical persons or legal entities, of the *Institut des Réviseurs d'Entreprises*.

The statutory auditors shall be appointed for a period of three years. They are eligible for reelection.

At the beginning and for the period of their mandate, the general meeting shall determine for each statutory auditor, the remuneration to be paid, which shall not be modified unless by mutual agreement.

ARTICLE 12: DURATION

The Association is organized for an unlimited term.

ARTICLE 13: JURISDICTION

The Brussels Court of First Instance shall have jurisdiction over any disputes that may arise concerning the interpretation of these Articles of Association.

ARTICLE 14: GENERAL PROVISIONS

The purpose and activities of the Association shall in all circumstances be in accordance with the applicable competition laws.

If the Association should be called upon to take position in public matters or to submit an official opinion to any institution, it shall make sure that any minority opinion shall be expressed in an appropriate way.

All matters not covered by these Articles of Association, especially any publications to be made in the annexes to the Belgian Official Gazette, shall be regulated in accordance with the provisions of Title III of the Belgian law of June 27, 1921 concerning non-profit associations, international non-profit associations and foundations.

[Name / name of incorporating member]
[Registered office / domicile]
Represented by: [Name]

[Name / name of incorporating member]
[Registered office / domicile]
Represented by: [Name]

[Name / name of incorporating member]
[Registered office / domicile]
Represented by: [Name]