

Global Corporate Governance Colloquia “GCGC” Articles of Association

English translation from the official French version

Chapter I - Name, registered office, purpose and term

Article 1 - Name

- 1.1 The name of the Association shall be “GLOBAL CORPORATE GOVERNANCE COLLOQUIA”, in abbreviation “GCGC”, hereinafter referred to as “the Association”.
- 1.2 The Association is a not-for-profit association, in accordance with provisions of Title I of the Belgian Law of 27 June 1921, granting legal personality to not-for-profit associations, international not-for-profit associations and foundations as amended (hereinafter referred to as “the Law”).

Article 2 - Registered office

- 2.1 The Association has its registered office in Belgium, at c/o Académie Royale de Belgique, Palais des Académies, 1 rue Ducale, 1000 Bruxelles. The registered office may be transferred to any other location in Belgium in compliance with the applicable legislation on languages, by a decision taken by simple majority of the Board of Directors, published in the Annexes to the Belgian Official Journal.
- 2.2 The Association may also open other administrative and operational offices, both in Belgium and abroad, by a decision taken by a simple majority of the Board of Directors.

Article 3 - Purpose

- 3.1 The mission of the Association is to organise conferences of high scientific standing pertaining to research on corporate governance
- 3.2 To achieve this purpose the Association is to:
 - address itself mainly to academic institutions and their scientific staff of repute for the excellence of their research relating to corporate governance, more particularly in the fields of economics, law and finance;
 - encourage the presentation of the findings of these institutions’ and their academic staff’s research at periodical international scientific conferences of which the organisation, implementation and branding shall be entrusted to the international not-for-profit association [aisbl] “European Corporate Governance Institute (ECGI)”.
 - promote the dissemination of the research thus brought forward, *inter alia* through the Association’s website.
- 3.3 The Association has the right to exercise, in Belgium or abroad, alone or in collaboration with third parties, directly or indirectly, all activities related directly or indirectly to its purpose.

Article 4 - Term

- 4.1 The Association is formed for an unlimited term.

Article 5 - Structure

- 5.1 The organs of the Association are:
 - the General Assembly;
 - the Board of Directors;
 - the Executive Committee;
 - the Scientific Committee;
 - the Secretary General.

Chapter II - Members of the Association

Article 6 - Members

- 6.1 The Association is an association with a minimum of three members, formed by the following validly represented legal entities that have signed the present Articles of Association and all have the status of members, hereinafter referred to as the “Founders”:

1. *The European Corporate Governance Institute (ECGI)*, c/o Académie Royale de Belgique, Palais des Académies, 1 rue Ducale, 1000 Bruxelles
2. *Columbia University*: Columbia Law School, 435 West 116th Street, Mail Code 4004, New York, NY 10027-7297, USA
3. *Goethe University Frankfurt*: The Center for Financial Studies, House of Finance, Grüneburgplatz 1, D-60323 Frankfurt am Main, Germany
4. *Harvard University*: Harvard Law School 1563 Massachusetts Avenue Cambridge, MA 02138, USA
5. *London Business School*: Centre for Corporate Governance, Regent's Park, London, NW1 4SA, United Kingdom
6. *National University of Singapore*: Centre for Law & Business and Centre for Governance, Institutions and Organisations, BIZ 2 Building #05-01, 1 Business Link, Singapore 117592
7. *Peking University*: Guanghua School of Management, No. 5 Yiheyuan Road, Haidian District, Beijing 100871, P.R. China
8. *Seoul National University*: School of Law, 599 Gwanak-ro, Gwanak-gu, Seoul 151-742 Korea, South Korea
9. *Stanford University*: Stanford Law School, Law School, 559 Nathan Abbott Way, Stanford, CA 94305, USA
10. *The Swedish House of Finance (SHoF)*: Sveavägen 65, 113 50 Stockholm, Sweden
11. *The University of Tokyo*: Graduate Schools for Law and Politics, 7-3-1 Hongo, Bunkyo-ku, Tokyo, 113-0033, Japan
12. *University of Oxford*: The Chancellor, Masters and Scholars of the University of Oxford, University Offices, Wellington Square, Oxford, OX1 2JD, United Kingdom
13. *Yale University*: Yale Law School, Yale University, 40 Ashmun Street, New Haven, USA
14. *The European Investment Bank (EIB)*, 98-100, boulevard Konrad Adenauer, Luxembourg 2950, Luxembourg
15. *Japan Exchange Group (JPX)*, 2-1 Nihombashi Kabutocho, Chuo-ku Tokyo 103-8224, Japan

6.2 There are three membership categories:

- the European Corporate Governance Institute (“ECGI”)
- Academic Members
- Non-Academic Members

6.3 Academic Members are university or equivalent institutions that have a recognised activity in corporate governance. There are up to twelve such members. At the outset they are fairly balanced respectively between three broad geographic zones (hereinafter the “Regions”), namely the Americas, Europe and the Far East.

The first Academic Members are the following Founders:

- *Columbia University*
- *Center for Financial Studies, Goethe University Frankfurt*
- *Harvard University*
- *London Business School*
- *National University of Singapore*
- *Peking University*
- *Seoul National University*
- *Stanford University*
- *The Swedish House of Finance*
- *The University of Tokyo*
- *University of Oxford*
- *Yale University*

- 6.4 Non-Academic Members are other institutions that have a marked interest in corporate governance. There are up to six such members. They are likewise fairly balanced between the same Regions as the Academic Members.

The first Non-Academic Members are the following Founders:

- *The European Investment Bank (EIB)*
- *Japan Exchange Group (JPX)*

Article 7 - Accession to Membership

- 7.1 Membership is acquired by accepting the invitation extended by the Board of Directors, subject to approval by the General Assembly.
- 7.2 Members invited must commit to abide by the Articles of Association and the Internal Rules.

Article 8 - End of Membership

- 8.1 The membership of any Member of the Association shall terminate:
- by resignation;
 - upon insolvency, voluntary or forced dissolution or liquidation of the member as a legal person;
 - by expulsion.
- 8.2 Members may resign from the Association by notifying the Board of Directors in writing. The resignation will take effect on receipt of the notification by the Association. Members who do not pay their membership fees within two months of a written reminder to do so are deemed to resign.
- 8.3 A Member deemed to cause damage to the interests of the Association may be expelled by the General Assembly with a two thirds majority of the votes cast by Members present and represented. Before the Assembly adjudicates, the Member concerned may be suspended by the Board of Directors for a duration that may not exceed one year. The Member shall be notified of the expulsion or the suspension. The Member concerned shall in any case have the right to present its defence before a final decision is taken. For the rest, a suspended Member shall not be entitled to vote, to attend meetings of the Association, or otherwise to participate in the activities of the Association during the suspension period.
- 8.4 No Member who has resigned, been expelled or suspended nor its beneficiaries or creditors shall have any right to the assets of the Association, nor to any reimbursement of membership fees or contributions to its resources; such Member shall remain liable towards the Association for any sums committed to.

Article 9 - Membership fees

- 9.1 Members shall pay membership fees to the Association set by the General Assembly, which may vary by membership category without exceeding € 4,000 (four thousand Euros) for joining fees and € 500.- (five hundred Euros) for annual fees.
- 9.2 The Board of Directors determines the terms and method of payment. The amount of the first joining fee is determined by the Founders.
- 9.3 Membership is only effective upon receipt of the membership fee.
- 9.4 In the event of resignation or exclusion of a Member the fee is not reimbursable.

Chapter III - General Assembly

Article 10 - Composition and Powers

- 10.1 The General Assembly shall consist of all the Members of the Association. Each Member has one vote that shall be exercised according to the provisions of articles 19 to 21.
- 10.2 The General Assembly shall have all the powers conferred upon it by the Law and these Articles, namely:
- the approval of the Association's budgets, accounts and annual report;
 - the election and removal of the directors;
 - the determination of members' fees;
 - the designation and removal of the external auditor;
 - the granting of release to the directors and the external auditor;

- the exclusion of a Member;
- the modification of the Articles of Association;
- the decision to dissolve the Association;

10.3 Each Member shall have the right, by means of a letter sent by regular mail or any other medium of written communication, to be represented at the General Assembly by a proxy-holder, who must be a Member. A proxy-holder may not represent more than one other Member.

Article 11 - Ordinary and Extraordinary Meetings of the General Assembly

11.1 The General Assembly meets at least once a year upon a call from the Chairman of the Board of Directors or his/her deputy. Notice shall in any event be sent by e-mail at least 15 calendar days in advance and specifying the venue, date and agenda. In particular, it is for the General Assembly to:

- receive the report on the activities of the Association during the past year;
- approve the accounts for the past year as well as the budget and the membership fees for the following year;
- release the directors and the external auditor with regard to their mandate.

11.2 An extraordinary General Assembly shall be called by the Chairman of the Board of Directors or by two directors whenever required by the interests of the Association or upon request of at least one fifth of the Members.

Save in an emergency, notice of meetings shall be served at least 15 calendar days in advance.

Only an extraordinary meeting may:

- modify the Articles of Association in accordance with the provisions of Article 20;
- decide the dissolution of the Association in accordance with the provisions of Article 21.

11.3 The General Assembly shall be chaired by the Chairman of the Board of Directors or, in the absence of the Chairman, by a Vice-Chairman, failing which by a director designated by his/her colleagues.

11.4 The minutes of the General Assembly shall be signed by the person chairing the Assembly and kept in a separate file at the Association's registered office by the Secretary General, at the disposal of the Members.

Chapter IV - Board of Directors, Committees, Secretary General, External Auditor

Article 12 - Board of Directors

12.1 The Board of Directors comprises up to fourteen (14) directors, of whom up to twelve (12) are elected by the General Assembly among candidates proposed by the Academic Members and two among candidates proposed by ECGI. The first directors are designated by the Founders.

12.2 The General Assembly may also admit observers to the Board of Directors' proceedings with advisory status. The number of such observers may not exceed one half of the total number of directors. Observers shall abide by the same rules of conduct as directors. The first observers are designated by the Founders.

12.3 In case of a vacancy, the Board of Directors has the power to designate an interim director or observer from the same constituency and Region as the director or observer to be replaced, pending the next General Assembly whose prerogative it is to ratify that designation.

12.4 The General Assembly may decide to remove a director or observer. Such decision requires a two-thirds majority of the votes of the Members present or represented.

12.5 The Board of Directors elects a Chairman among the directors affiliated with the Academic Members and two Vice-Chairmen, one among the directors affiliated with Academic Members and the other among the directors proposed by ECGI. Their term shall not exceed two years. A rotation shall be established for both the Chairman and the academically affiliated Vice-Chairman to allow for the presence of a Chairman and Vice-Chairman respectively from each Region during a period of two years out of six. The Chairman and Vice-Chairman from among the academically affiliated directors shall not belong to Academic Members of the same Region. The academically affiliated Chairman and Vice-Chairman shall not belong to Academic Members hosting one of the Association's conferences during their expected term.

12.6 The Chairman, a Vice-Chairman or their delegate convenes the meetings of the Board of Directors. Save in an emergency, notice of meetings notified at least by e-mail shall be served at least 15 calendar days in advance.

- 12.7 Board of Directors meetings may be held both physically and by online telecommunication. If a Board of Directors meeting is held by online telecommunications, directors shall have received timely information enabling them to express a fully considered opinion on the items on the agenda. Items voted on during an online telecommunications meeting shall be recalled and confirmed at the next following physical meeting. Nevertheless, absence of such confirmation shall not invalidate the decisions taken.
- 12.8 The maximum term of the office for directors shall be two years. Directors may be re-elected. They are deemed to resign when they are no longer affiliated with the Member they were part of at the time they were elected.
- 12.9 The secretariat of the Board of Directors shall be held by the Secretary General. The minutes of Board meetings shall be sent in draft form to the directors for approval at their next meeting. The final copy shall be signed by the Chairman and kept in a separate file at the Association's registered office by the Secretary General, at the disposal of the Members.

Article 13 - Powers of the Board of Directors

- 13.1 The Board of Directors shall have all powers necessary to pursue the objectives of the Association, and to effect and complete all management actions, with the exception of the powers reserved by the Law or by these Articles to the General Assembly.
- 13.2 The Board of Directors' mission comprises in particular:
- the determination of the Association's orientations;
 - the designation of the members of the Executive Committee, of the Scientific Committee and of the other committees it deems useful to establish;
 - the appointment of the Secretary General;
 - the definition of the mandate entrusting ECGI with the organisation of the conferences that are the purpose of the Association, and the monitoring of its execution.

Article 14 - Representation of the Association

- 14.1 Without prejudice to the Board of Directors' delegation of daily management, the acts binding the Association with regard to third parties are validly signed singly by the Chairman or a Vice-Chairman, or jointly by two directors, or by a holder of special powers of attorney conferred by the Board of Directors.
- 14.2 Legal proceedings, either as plaintiff or defendant, are conducted by the Board of Directors represented by the Chairman or by any person the Board of Directors has designated to that effect.

Article 15 - Committees

- 15.1 The Board of Directors shall appoint:
- an Executive Committee
 - a Scientific Committee
 - any other committee it deems useful for the proper conduct of the Association.
- 15.2 Under the responsibility of the Board of Directors and within the framework it defines, the Executive Committee takes the current decisions necessary to ensure the smooth running of the Association's activities. The Executive Committee comprises four members designated by the Board of Directors, of whom three among the directors respectively affiliated with academic institutions from a different Region, the fourth from among the directors affiliated with ECGI. The Executive Committee's secretariat shall be held by the Secretary General. The Executive Committee members' term is two years maximum; they are re-eligible.
- 15.3 The Scientific Committee's mission is to determine the programmes of the conferences to be organised, to encourage the submission of the elements of scientific research to be presented, to evaluate them and to choose those that are to be retained. The Scientific Committee comprises twelve members to be designated respectively by the Board of Directors on a proposal by the Academic Member he or she is affiliated with. The Scientific Committee shall be chaired each year by rotation by its member affiliated with the institution at which the next conference shall be held. The Scientific Committee's secretariat shall be held by the Secretary General. Scientific Committee's members' term is two years maximum; they are re-eligible.
- 15.4 The Board of Directors determines the terms of reference and powers of the other committees it appoints.
- 15.5 Committees report to the Board of Directors on their activities.

Article 16 - Secretary General

- 16.1 The implementation of the decisions of the Board of Directors and the Executive Committee and the daily management of the Association are entrusted to a Secretary General under the responsibility of the Board of Directors that appoints him/her and defines his/her powers.
- 16.2 The Secretary General's term of office shall not exceed 2 years. The Secretary General may be re-appointed.

Article 17 - External Auditor

- 17.1 The General Assembly appoints an external auditor drawn from the Members of the Institute of Auditors of Belgium.
- 17.2 The mandate of the external auditor may not exceed two years. It may be renewed. The General Assembly determines the fee to be paid to the external auditor.

Chapter V - Budget and Accounts

Article 18 - Budget and Accounts

- 18.1 On 31 December of every year and for the first time on 31 December 2014, the books and accounts of the Association shall be closed and the Board of Directors shall establish the accounts of the Association for submission to the annual General Assembly, together with the budget for the year during which the Assembly is held.
- 18.2 The accounts of the Association shall be audited by the external auditor.
- 18.3 The Association shall be funded by
- membership fees;
 - specific contributions from conference participants;
 - other revenues from Association activities;
 - subsidies, donations and bequests, if any.

Chapter VI - Decisions

Article 19 - Ordinary Decisions

- 19.1 Except in the cases foreseen in articles 20 and 21 of these Articles of Association, the General Assembly may validly deliberate and vote, whatever the number of Members present or represented. Each Member has one vote. A Member may represent another Member unable to attend the meeting; a Member may not, however, represent more than one other Member. Except for any provisions to the contrary mentioned in the Articles of Association, resolutions approved by the General Assembly shall be validly adopted if they obtain the affirmative vote of the majority of the Members present and represented. In case of a tie, the person chairing the Assembly has the casting vote. Abstentions are not counted. No decision may be taken on an item which does not appear on the agenda accompanying the notice of a meeting, unless its addition to the agenda is approved by a unanimous resolution of the Members present and represented.
- 19.2 The Board of Directors may only validly decide and adjudicate if at least half of its members are present or represented. Each Director has one vote. Decisions of the Board of Directors are taken by a simple majority of the directors' votes cast. A director may represent another director who is unable to attend the meeting; a director may not, however, represent more than one other director. In case of a tie, the person chairing the meeting has the casting vote. Abstentions are not counted.

In case of a direct or indirect a conflict of interest of whatever nature regarding a decision or transaction within the scope of the Board of Directors, the Director concerned shall take the initiative of so informing the chairman. He/she shall not take part in any deliberation nor in any vote relating to that decision. That shall be recorded in the minutes of the relevant meeting.

- 19.3 Decisions of the General Assembly and/or the Board of Directors are binding on all the Members of the Association.

Article 20 - Amendments to the Articles of Association

- 20.1 The General Assembly shall validly deliberate on amendments to the Articles of Association only if the object of each such amendment is mentioned explicitly in the call to meeting and if two thirds of all Members, including two thirds of the Academic Members, are present or represented at the Assembly. Any amendment shall require a two-thirds majority of the votes of all Members present or represented, including a two-thirds majority of the votes of the Academic Members among them; these majorities

are increased to four fifths if the modification relates to the purpose of the Association. Abstentions in votes cast relating to matters governed by this clause are assimilated to negative votes.

20.2 If less than two thirds of all Members or less than two thirds of the Academic Members are present or represented at the first Assembly, the Board of Directors may convene a second Assembly to be held no earlier than fifteen days and no later than thirty days after the first one, which shall validly deliberate whatever the number of Members, or among them the number of Academic Members, present or represented.

Article 21 - Dissolution

21.1 The Association may only be dissolved by a decision of the General Assembly inasmuch as

- two thirds of all members and two thirds of the Academic Members are present or represented at the Assembly;
- the decision is taken by a four fifths majority vote of all members present and represented and by a four fifths majority vote of the Academic Members present and represented.

21.2 If at a first Assembly less than two thirds of all Members or of the Academic Members are present or represented, the Board of Directors may convene a second Assembly to be held no earlier than fifteen days and no later than thirty days after the first one, which shall validly deliberate whatever the number of Members, or among them the number of Academic Members, present or represented.

21.3 If the Association is dissolved, the Assembly shall appoint a liquidator and determine its powers.

21.4 The General Assembly decides on the distribution of the net assets, if any, to academic and/or charitable institutions.

Chapter VII Sundry Provisions

Article 22 - Internal Rules

The General Assembly may, on the recommendation of the Board, adopt one or more Internal Rules compatible with the provisions of these Articles of Association so as to ensure smooth running and administration of the Association. Such rules are binding on all Members, provided that they are adopted with at least two thirds of the votes cast in favour. Abstentions are not counted

Article 23 - Application of legal provisions

Any matters which are not covered by the present Articles of Association shall be governed by the provisions of the Law, as may be amended from time to time.

Article 24 - Authentic language version

The French version of these Articles is the overriding text.