



Statutes

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SGF INTERNATIONAL E. V.
SURE -GLOBAL - FAIR

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Article 1 Name, Office, Jurisdiction, and Business Year

- (1) The association is named „SGF International e. V.“
The association is the legal successor of „Schutzgemeinschaft der Fruchtsaft-Industrie e. V.“ (Protective Association of the Fruit Juice Industry, Incorporated)
- (2) SGF stands for industrial self-control „Sure-Global-Fair“.
- (3) Registered office and court of jurisdiction of the association is Frankfurt/Main, Germany.
- (4) Business year is the calendar year.

Article 2 Objectives of the Association

Objectives of the association are

- (1) to promote free and fair competition as a matter of priority, therefore
 - to promote safety and quality of the monitored products;
 - to protect members against unfair competition;
 - to support members in complying with diligence as well as
 - to support members in averting unjust attempts.
- (2) and thus to contribute to improved consumer protection.
- (3) to control fruit juices, fruit nectars and other products made from fruits and vegetables.
- (4) The association is not liable for information provided.

Article 3 Activities of the Association

To fulfill the objectives according to the Statutes, the association shall at least take the following measures:

- (1) The association shall
- a) set up and operate an international quality control system of the industrial self-control according to Article 3, paragraph 1 a) – d). The control system shall include all production and trade stages for the products mentioned in Article 2, paragraph 3.

The control system is organized as follows:

- International Quality Control System (IQCS) for controls of markets and bottlers in the affiliated European countries;
- International Raw Material Assurance (IRMA) for control of raw materials markets and suppliers of raw materials and semi-finished goods, as well as for the control of tank cleaning stations;
- possibly other market and bottler control systems in other economic areas.

- b) control regularly quality, safety, traceability, proper conditions and labeling of the goods offered on the markets, as well as of the materials used for their production;
- c) take actions against competition infringements, especially infringements of legal regulations regarding food and labeling issues of the afore-mentioned products, and infringements of rules and regulations of the control system; and initiate corrective actions for quality assurance and for elimination of risk of repetition;
- d) develop, further develop, and apply respective working methods, information and control systems.
- (2) The association may establish one or more quality label associations or quality marks or participate in such and introduce respective quality and safety marks or labels. In case of infringements against the food law and rules and/or regulations of the control or quality label systems, the association imposes sanctions.
- (3) Participation in the association's control systems does not release the participants from their full and sole responsibility in terms of food law and law of contract for the legal quality and promised properties of the products made or traded, resp.

- (4) The association is an industrial, non-governmental organization (NGO); it can become member of other associations/organizations. The association does not act on behalf of commercial and/or political interests of individual members, in particular individual companies and/or national associations.

Article 4 Membership

The association is open for membership to any company, association, natural person and organizations active in the field of the defined product range. The membership is voluntary.

There shall be three categories of members:

- (1) Ordinary members:
- a) from the field IQCS
- Producers and bottlers of the goods defined in Article 2, paragraph 3 intended for sale to the consumer, as well as their sales organizations and holdings with at least 50 % share shall become a member by obtaining the membership for the respective national business group of the governing enterprise.
- b) from the field IRMA
- Processors of fruits and vegetables, and semi-finished goods of the goods defined in Article 2, paragraph 3 not intended to be sold to the consumer, as well as their sales organizations and holdings with at least 50 % share shall become a member by obtaining the membership for the respective national business group of the governing enterprise.

c) from the fields IRMA and IQCS

Companies and sales organizations handling goods defined in Article 2, paragraph 3 intended to be sold to the consumer as well as products used for industrial processing according to Article 2, paragraph 3, as well as their holdings with at least 50 % share shall become a member by obtaining one single membership. There will be a separate agreement regarding to which group(s) according to Article 4, paragraph 1 a) and 1b) the applicant shall belong.

(2) Extraordinary members:
shall be allocated to the IRMA field.

- a) Traders or trade companies, resp., and commodity brokers for raw materials and semi-finished goods;
- b) Warehouses and cold storages;
- c) Forwarding companies;
- d) Tank cleaning stations.

(3) Sponsoring members:

- a) national and international associations of producers of the goods defined in Article 2, paragraph 3;
- b) national and international associations of fruit and vegetable growers;
- c) associations from the retail trade;
- d) associations from the supplying and packaging industry;
- e) consumer protection associations/organizations;
- f) natural persons or corporate bodies interested in the objectives of the associations.

(4) Application for admission must be submitted in writing. Decision is made by the Executive Committee. If an application is rejected by the Executive Committee, it is possible to raise an objection to the General Assembly. The decision of the General Assembly is final.

Article 5 **Obligation of Members**

- (1) The members are obliged to promote the objectives of the association.
- (2) Ordinary and extraordinary members are required to participate in the control system according to Article 3, paragraph 1a – 1d).
- (3) The members have to contribute to the fulfillment of the objectives of the association. This is in particular applicable for observing the rules and implementing regulations of the control system, permitting unlimited access during plant inspections, making available all requested reserve samples, further information and documents needed for verification of traceability and implementation of possible corrective actions and quality assurance measures. The members have to refrain from everything that might hinder the association or its organs in their statutory work.
- (4) Statutory decisions by the organs of SGF International e. V. are binding for member companies; this is in particular applicable to payment of all fees and levies decided on by the General Assembly.
- (5) Members shall observe all relevant legal regulations, industrial codes and standards as well as other rules acknowledged by the Executive Committee for the production of goods defined in Article 2, paragraph 3. In case of contradicting rules, the higher ones have to be observed.

Article 6 **Rights of the Members**

- (1) The members shall have the right to present a motion to the Executive Committee and the General Assembly.

The members shall be especially entitled to demand that SGF International e. V. within its possibilities pursues infringements of legal regulations on fair competition and relevant food law disclosed to the association and reports on its activities periodically and in neutralized form.

- (2) After completion of the examinations and control measures performed according to the statutory activities of the association, the members will be informed about the examination results for their company.
- (3) Members participating in the control system with certified companies shall be entitled to promote this participation, in particular to use the IQCS/EQCS or IRMA logo, resp., depending on the group they belong to. For that, the association has purchased a license for use of the EQCS logo from the European Quality Control System (EQCS). The respective usufructary rights and conditions have to be acknowledged bindingly.
- (4) The members have the right to protest against corrective actions and quality assurance measures imposed by the IQCS or IRMA board, resp., to the Executive Committee. Upon request of the member company concerned, the Executive Committee's decision is being presented to the board of arbitration of the Waren-Verein Hamburger Börse e. V. (Merchandise Association of the Hamburg Exchange) for revision. Deviating decisions by the board of arbitration in favour of the member are binding for the association. (In these cases, the relevant arbitration rules of the Waren-Verein Hamburger Börse e. V. as amended from time to time are applicable.)¹
- (5) In the General Assembly, members according to Article 4 paragraph 1 and 2 are qualified to vote and are eligible. They have one basic vote each and one additional vote for each full 1,500 Euro of annual contribution. The number of votes is limited to 25 for each member.

The members in general shall perform their right to vote or their eligibility, resp. via an own authorized representative.

The right to vote or eligibility, resp., can with written authorization be performed by another member of the association or by a representative of his national association, as far as the national association is a member. No member or other association shall represent more than 10 other members.

¹ info@waren-verein.de - Schiedsgerichtsordnung

Article 7 End of Membership

- (1) The membership expires:
 - a) by written notice of withdrawal to the end of the business year with a 12-month notice, sent by registered mail;
 - b) by written notice of withdrawal if retiring from business; in this case the notice period is reduced to six months to June 30 or December 31, resp., of the current year;
 - c) by adjudication in bankruptcy over the assets of a member;
 - d) by expulsion.
- (2) The expulsion from the association can be stated with immediate effect by the Executive Committee, if
 - a) the member severely injures Statutes and/or interests of the association;
 - b) the due contribution has not been paid after receiving two written notices within 6 months.
- (3) If the member protests in writing against the expulsion within one month after notification, the next General Assembly will make the final decision. In the meantime the membership including all rights and obligations is at a standstill. If the expulsion was made public to the members by newsletters, the protest and argumentation are also to be published.

Retired members shall lose all association rights, especially any rights on the association fund. The expulsion does not exempt the member from the liability to pay all unpaid contributions due until effectiveness of membership expiration.

Article 8 Finances

- (1) SGF International e. V. does not operate on a commercial base, it is a not-for-profit organization; nevertheless, it is entitled to provide taxable individual services and to invoice the arising cost.
- (2) SGF International e. V. shall be financed by member contributions, levies, cost reimbursements, donations and public funds. Details shall be laid down in the contribution order to be decided on by the General Assembly.
- (3) The membership fees shall be payable in one sum annually and become due on January 1. Until the contribution invoice has been sent, proportional payments based on last year's contribution have to be paid on request.
- (4) The General Assembly may decide on special levies for execution of special actions.

SGF International e. V. shall be entitled to form a financial reserve up to the amount of one annual budget for securing its permanent existence, its independency and to cover possible law suit risks.

Article 9 Organs of the Association

- (1) The organs of the association are:
 - a) General Assembly
 - b) Executive Committee
 - c) IQCS Board
 - d) IRMA Board
- (2) Within their area of responsibility, the organs decide autonomously within the scope of the decisions reached by General Assembly and Executive Committee.

- (3) For fulfillment of their tasks, the organs make use of the office. The Executive Committee decides on appointments and equipment in the office. It shall provide working regulations and tasks for the office.
- (4) The members of the Executive Committee, the boards or the other bodies charged by the Executive Committee or the General Assembly with the undertaking of certain tasks shall further the association's objectives to the best of their ability, manage their duties neutrally, and refrain from all inadmissible use of company and trade secrets or information about third parties they might become knowledge of while executing their tasks.

The activity in the association's bodies and organs is honorary. The membership is a personal one.

Article 10 General Assembly

- (1) The General Assembly is the highest organ of the association. It is formed by the members according to Article 3 and is called in and presided by the President of the Executive Committee.
- (2) The ordinary General Assembly shall be held once a year. The members will receive written notice with included agenda at least six weeks in advance.
- (3) The General Assembly has the following tasks:
 - acceptance and approval of the business report;
 - acceptance and approval of the financial report;
 - approval of the budget proposal and voting of contribution order
 - election and approval of the acts of the Executive Committee by the members according to Article 4, paragraphs 1 and 2.
 - Election of the IQCS Board by the members according to Article 4, paragraph 1a) and 1 c).
 - Election of the IRMA Boards by the members according to Article 4, paragraph 1b and 1c) and 2;
 - Election of auditors;
 - voting on motions to the General Assembly;

- voting on changes of statutes;
- approval of membership in other association or organizations;
- voting on liquidation of the associations.

- (4) Extraordinary General Assemblies can be called in by the President of the Executive Committee on demand. On application of the Executive Committee or at least 50 members, the President has to call in an extraordinary General Assembly.
- (5) Motions by members must reach the office latest four week prior to the General Assembly. The office is required to inform the members immediately about the motions received.
- (6) Each General Assembly called in according to the rules is competent to make a decision regardless of the number of members present.
- (7) Decisions of the General Meeting are made by majority of votes – except for cases according to paragraph 9.
- (8) Parity of votes is to be regarded as rejection.
- (9) Resolutions on changes of Statutes and liquidation of the association need a 2/3 majority of all votes present.

Furthermore, the General Assembly is competent to make a decision on these subjects only if they are mentioned in the invitation or agenda.

Article 11 Executive Committee

- (1) The Executive Committee consists of up to nine members according to Article 4, paragraphs 1 and 2 which elects the President and two Vice-Presidents from themselves. Members shall be represented with one person only in the Executive Committee.
- (2) Up to seven Executive Committee members are elected by the General Assembly. Block voting is permitted. Terms of office is three years; re-election is allowed. One member of the Executive Committee is delegated for one year each by the IQCS Board and the IRMA Board. The Executive Committee shall be entitled to coopt up to five more nonvoting members.

- (3) The President or, if he is unable for whatever reason which does not have to be proven, his both Vice-Presidents jointly shall represent the association in legal and non-legal matters according to Article 26 BGB (German law).
- (4) Within the scope of the decisions made by the General Assembly, the Executive Committee shall decide on strategy, focus of work and goals as well as on special projects of the association. The Executive Committee shall determine the scope for IQCS and IRMA, provide guidelines and if necessary specific instructions for the Boards, compile the annual or if necessary, a biennial budget proposal including sub-budgets for IQCS and IRMA for the General Assembly and control their implementation.
- (5) The Executive Committee shall decide on rules and implementing regulations for the control system, the catalogue of measures and actions for infringements of the food law and the systems' implementing regulations as well as on the approval of laboratories.
- (6) The Executive Committee decides on members' complaints against corrective measures imposed by the control systems' departments IQCS and IRMA.
- (7) For exercising its statutory tasks, the Executive Committee may call on expert help of advisory boards, expert committee or other bodies. The Executive Committee shall determine their tasks. Appointment and recall of their members is done by the Executive Committee.
- (8) The President shall invite to the meetings of the Executive Committee two weeks in advance in writing including an agenda. Shorter notice is possible but must be explained in the invitation.
- (9) The Executive Committee shall provide respective business rules for itself, the office, all bodies and organs.
- (10) The Executive Committee shall arrive at a decision with majority of votes of all attendants entitled to vote. Quorum is given if all members of the Executive Committee have been invited in due form and due time and if the majority of the members with the right to vote is present. The Executive Committee can reach decisions also via voting by letter or telephone; voting by telephone needs written confirmation.

- (11) In case of legal proceedings, unanimity is requested. This unanimity is also given:
- a) in a meeting of the Executive Committee that is competent to make a decision if all present members decide unanimously;
 - b) in urgent cases, President and one Vice-President shall reach a decision.
- (12) If a member of the Executive Committee also belongs to a company that is concerned with proceedings to be initiated directly or indirectly or if it has direct interest in the case, then the member has to retire from the Executive Committee or any other body for the handling of this case.
- (13) The Executive Committee has the right to present a motion to the General Assembly.
- (14) The Executive Committee shall inform the members continuously on its activities in appropriate form.

Article 12 IQCS-Board

- (1) The IQCS Board consists of up to nine members who elect a chairman and two vice-chairmen from themselves. Members shall be represented with one person only on the Board.
- (2) Up to seven Board members are elected by the members according to Article 4 paragraph 1a and 1c) in the General Assembly. Block voting is permitted. Terms of office is three years. One member of the Board can be delegated for three years each by the Executive Committee and by the IRMA Board. The IQCS Board shall be entitled to coopt up to five more nonvoting members.
- (3) Within the decisions of the General Assembly and the instructions and guidelines imposed by the Executive Committee, the Board is responsible for market and bottler controls, in particular for

- planing, undertaking and feedback regarding control measures within the IQCS area of responsibility;
- monitoring of the IQCS budget;
- appointment of plant inspectors and cooperation laboratories;
- implementation of the catalogue of measures and procedures;
- issuing and depriving the IQCS certificate to participating companies;
- issuing and monitoring use of the EQCS logo at the participating IQCS companies according to Article 6, paragraph 3;
- certification and/or any other official approval of IQCS;
- reporting to Executive Committee and General Assembly

- (4) On request of the members from a national market, the Board will establish local committees for planning and undertaking of local controls and external corrective measures. Details are laid down in the business rules.
- (5) As far as the business rules of the Board do not state otherwise, the invitation and voting rules laid down for the Executive Committee in Article 11, paragraph 8ff, shall be applicalbe analogously.

Article 13 IRMA Board

- (1) The IRMA Board consists of up to nine members who elect a chairman and two vice-chairmen from themselves. Members shall be represented with one person only on the Board.
- (2) Up to seven Board members are elected by the members according to Article 4, paragraph 1b, 1c), and 2) in the General Assembly. Block voting is permitted. Terms of office is three years. One member of the Board can be delegated for three years each by the Executive Committee and by the IQCS Board. The IRMA Board shall be entitled to coopt up to five more nonvoting members.
- (3) Within the decisions of the General Assembly and the instructions and guidelines imposed by the Executive Committee, the Board is responsible for the controls of the raw materials market and the controls at manufacturers of semi-finished goods and suppliers to the control system, in particular for

- planning, undertaking and feedback regarding control measures within the IRMA area of responsibility;
- monitoring of the IRMA budget;
- appointment of plant inspectors and cooperation laboratories;
- implementation of the catalogue of measures and procedures;
- issuing and depriving the IRMA certificate to participating companies;
- issuing of the usufructuary rights of the IRMA logo to the participating IRMA companies according to Article 6, paragraph 3;
- certification and/or any other official approval of IRMA;
- reporting to Executive Committee and General Assembly.

- (4) As far as the business rules of the Board do not state otherwise, the invitation and voting rules laid down for the Executive Committee in Article 11, paragraph 8ff, shall be applicable analogously.

Article 14 Minutes/Languages

- (1) Minutes shall be taken of all decisions made during assemblies and meetings. The minutes shall be signed by the person presiding at the meeting and the protocolist (in general a member of the management). The minutes shall be compiled in due time and made available to the members. They shall be approved in the next respective meeting.
- (2) Official languages of the association are German and English.

Article 15 Liquidation

- (1) Liquidation of the association shall be done according to Sections 47 et seq of the BGB (German Civil Code).
- (2) Liquidation shall be handled by the Executive Committee which can appoint a liquidator.

The assets of the association after settlement in full and ending of all pending accounts are to be transferred to the Quality Juice Foundation (QJF), with registered office in Mainz, Germany.

The Statutes replace the last applicable version of May 6, 2010.