



## European Turbine Network INTERNAL REGULATION

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### **1. PURPOSE**

This internal regulation will serve as the working document regarding the detailed activities and procedures of the European Turbine Network association and is complementary and subsidiary to the Articles of Association.

### **2. MEMBERSHIP**

Membership of the Grouping shall be open to more than one Subsidiary, Associate or Affiliate Company belonging to the same industrial group, provided that each Subsidiary, Associate or Affiliate Company has different interests in relation to each other Subsidiary, Associate or Affiliate Company of the same industrial group.

Some of the members are competitors in the gas turbine industry. They support free and fair competition as a market policy and as a legal concept. They are therefore not restricted through the membership of the Grouping from taking necessary actions in respect of their competitive position.

### **3. MEMBERSHIP PAYMENT CONDITIONS**

The Membership fee shall be paid in a timely manner. Invoices which remain outstanding by 1st April of the membership year will be subjected to a 10% surcharge. Reminders of non-payment will be issued prior to this date which will require your immediate attention. Any invoices which remain outstanding beyond 1st June of the membership year will be passed into the hands of our appointed agency to commence legal proceedings.



#### **4. ASSOCIATE MEMBERS**

Organisations that do not meet the full criteria of ETN membership, but still support the objectives of ETN, can submit an application to become an Associate Member. The application will be approved by the President and Managing Director provided that it meets the criteria of ETN's Articles of Association.

#### **5. GENERAL ASSEMBLY**

A quorum of the General Assembly shall consist of one half plus one of the number of full members. In the event a quorum is not present, all decisions of the General Assembly must be confirmed at the next General assembly having the required quorum. This procedure shall be announced in the agenda of the General Assembly. If the quorum is again not reached, the decisions of the previous General Assembly can be confirmed by a simple majority of the votes.

#### **6. REPRESENTATION**

Each Member should appoint one representative to attend the General Assembly. If the appointed representative is unable to attend any particular meeting of the General Assembly, he can nominate and send a deputy to replace him, provided always that the individual concerned is an employee of the Member.

Each Member shall have the right to withdraw with immediate effect any of his representatives or deputies and to appoint new representatives or deputies. In the event of any individual person resigning or otherwise leaving a Member company they shall immediately cease to be a representative or deputy of such Member. That Member shall then appoint a replacement representative or deputy.

#### **7. BOARD COMPOSITION**

The ETN board shall preferably be composed of the following categories:

- 2 representatives from the utility industry
- 2 representatives from the oil & gas industry
- 2 representatives from service providers
- 3 representatives from the R&D community or the academia
- 1 representative from another category (i.e. associations, etc.)

Either the President or the Vice President shall be a representative from the user industry.

#### **8. ELECTION PROCESS OF THE BOARD**

##### Nomination Process

Before the nomination process, each board member will confirm to the Managing Director and the President if he/she offers to serve another term.



Eight weeks prior to the General Assembly, the Managing Director shall invite Full Members to submit candidacy for membership of the board. Only employees of Member organisations can be candidates.

Nominations will be closed four weeks prior to the General Assembly. A short résumé for each candidate will be published on the ETN website at least one week before the General Assembly.

#### Election Process

To ensure continuity of ETN's interests, it is recommended to the General Assembly that approximately half of the board members from each category are re-elected. For the category with only one representative there is no recommendation.

In the event of a tie in votes for two or more candidates, a second poll will be carried out with only the tied candidates being considered. In the event of a further tie, the retiring president's vote shall be deemed decisive.

In case there are not enough elected representatives for the ETN board, the board shall meet and may choose to co-opt.

### **9. MAXIMUM TENURE OF SPECIFIC POSITIONS**

The Board recommends that the specific positions of the Board, namely President, Vice-President and Treasurer, should have a maximum tenure of four years. However, any final decisions on tenure shall be made subject to circumstances and shall safeguard the best interests of ETN and the Board.

### **10. MANAGING DIRECTOR**

The Managing Director has the power of attorney to sign on behalf of the association up to the amount of 5000 Euro. For any higher amount he must consult with the Treasurer, the President or the Vice-President.

### **11. SPECIFIC TECHNICAL COMMITTEES**

The General Assembly can set up Technical Committees to consider relevant issues of importance to various Members. Technical Committees will report to the General Assembly. Each Technical Committee is to elect its own chairperson and secretary who are representatives of Members or Associate Members of the association and minutes are to be kept of any meetings held. Any financial expenses are to be in accordance with the budget allocation. Additional invited Experts will take part with the approval of the chairperson.



## **12. RTD COLLABORATION CONTRACTS**

Any RTD contract and the participation in it will be entered into individually by each of the Members willing to participate therein and the regulation covering such contracts shall be determined in relation to the terms of the RTD contract itself and its associated Collaboration Agreement. Any management contract taken by ETN will not affect the rights of Members in respect of the specific RTD contract and Collaboration Agreement.

### **ANNEX: COMPETITION COMPLIANCE - GUIDELINES FOR ETN MEMBERS**

ETN is an association that brings together the whole value chain (manufacturers, users and the R&D community) around gas turbine technology. It is not the purpose of ETN to deal with any commercial matters. However, this association does include competing member companies. Therefore it is important that ETN members are aware of the impact of competition law on activities and interactions within ETN.

**Competition laws prohibit agreements, understandings and practices which restrict competition between businesses.** Breaches of competition law can lead to severe penalties, including fines and imprisonment of individuals for participating in cartels (e.g. price-fixing, customer-sharing, bid-rigging), extensive fines on companies and consequent court action.

Therefore, competing members must not discuss pricing policies or any matters which may impact on how companies compete with each other. If an attendee attempts to raise competitively sensitive issues, discussion on it must be stopped immediately and this fact must be recorded in the minutes. If the discussion continues, the meeting must be terminated, all other attendees must leave, and the incident reported to the ETN office and Board.

Any exchanges of competitively sensitive information of which members become aware should be raised to the ETN office and Board for further advice. This may result in legal advice being sought and ultimately the company's or companies' membership being terminated with immediate effect.

It is important to respect these rules and guidelines at all times, not only for chairmen of meetings but for all members of the Technical Committees, Project Groups as well as participants at all ETN events. Respecting these guidelines is to the benefit of all Members of ETN.

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