

ARTICLES OF INCORPORATION

Article 1 : Name

An international Association without profitable goal called "THE EUROPEAN ASSOCIATION OF REMOTE SENSING COMPANIES", or in abbreviated form "EARSC" is hereby founded.

The complete or abbreviated names may be used together or separately.

This Association shall be governed by the Belgian Law of June 27, 1921

Article 2 : Registered Office

The registered office of the Association is currently located at Rue Beranger 26, B-1190 Forest, Bruxelles, Belgium. The registered office may be transferred to any other location within Belgium by simple decision of the Board of Directors (see Article 11) of the Association.

The Board of Directors shall be authorized to set-up other offices or branches of the Association to be located in Belgium or abroad.

Article 3 : Objects

The objects of the Association, which shall exclude any profit-making objective, shall be the promotion of remote sensing in its broadest sense, including the use of Geo-Information, in Europe and the encouragement of exchanges of information and collaboration between persons, companies and groups of firms and companies, operating in the field of remote sensing.

Without prejudice to the foregoing, the Association shall endeavour:

- a) to represent the common interest of the members with European and International organisations as European Commission, European Council, European Parliament, European Space Agency, and United Nations;
- b) to facilitate the networking and the cooperation between all commercial European companies offering and undertaking advice and consulting services or supplying equipment in the field of remote sensing which are based in countries which contribute to the European Space Agency or which are members of the European Union;

- c) to make users and potential users of Geo-Information aware of the benefits of remote sensing, and the supply capacity of the European Earth Observation Industry;
- d) to provide members with information about developments in remote sensing and potential market opportunities;
- e) to ensure that the common interests of members are represented in national and international committees which exert influence on the members;
- f) to advise and assist funding and executing agencies and organisations in matters concerning remote sensing;
- g) to promote the generation of a sustainable market for Geo-Information using remote sensing;
- h) to promote the use of professional standards by the members in the course of their business;
- i) to do all such other things as may be conducive to the attainment of the above objectives.

Article 4 : Duration

The Association is formed for an indeterminate duration and may be wound-up at any time in accordance with the Provisions of the present Articles of Incorporation.

Article 5 : Members and Observers

The Association shall be composed of full members, observers and affiliates (as decided by the Board of Directors) collectively referred to as “members”.

The maximum number of members shall not be limited, but there shall always be a minimum of two members.

All full members of the Association shall be based in a country which contributes to the European Space Agency or which is a member of the European Union.

Any commercial company (see Article 20) providing services (including consultancy) or supplying equipment in the field of remote sensing or using EO data in any of its products or internal business practices shall be eligible for full membership.

Any organisation which does not qualify to become a full member of the Association may become an observer member.

The Board of Directors may decide to offer an affiliate membership of EARSC with restricted rights and responsibilities.

The rights and obligations of each membership class along with the criteria for acceptance to each membership category, shall be determined by the Board of Directors and clearly communicated to all members as well as being published on the EARSC web-site.

Only full members shall have voting rights.

Any changes to membership criteria or rights and responsibilities decided by the Board of Directors shall be communicated to all members and shall be validated at the first General Meeting held after the decision.

The Board of Directors shall have full power to decide, acting on such information or evidence as they think fit, whether any company or partnership is eligible for membership. Candidates for membership who have been refused shall be informed of that decision in writing.

Admission shall automatically imply an undertaking on the part of the member in question to adhere to and abide by the Articles of Incorporation of the Association and its duly adopted Internal Regulations, if any.

Article 6 : Resignation and Exclusion of Members

Membership of the Association shall cease at such time as a member's resignation or exclusion becomes effective.

Resignation shall be notified in writing by registered letter to the "Chairman of the Board of Directors of EARSC, at its registered office.

Any resignation shall only be effective at the close of business on the December 31st immediately following the receipt of notice of resignation by the Board of Directors.

Any member who shall remain in default, with regard to the payment of its subscription or any other debt which it may have to the Association for a period of three months, after having been put on notice by the Board of Directors to pay the same, shall be deemed to have resigned on the last day of said three month's period.

A member may be excluded by the General Meeting of Members, upon the proposal of the Board of Directors.

The excluded member shall be informed in writing about his exclusion and about the reasons for exclusion. The member who is excluded shall be immediately liable for the full payment of

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the subscription for the full year during which its exclusion is decided and if it has already paid its subscription for said year, it shall not be entitled to any pro-rata reimbursement.

No member following its effective resignation or exclusion shall have any rights whatsoever against the assets of the Association.

Article 7 : Subscriptions

Members shall pay an annual subscription, the amount of and the terms of payment of which shall be determined by the General Meeting upon a proposal from the Board of Directors.

Article 8 : General Meeting of Members

The General Meeting shall be open to all the members of the Association but with only full members eligible to vote. It shall be fully empowered to achieve the objects of the Association and in particular the General Meeting shall be competent to:

- approve the annual accounts and the budget of the Association upon a proposal from the Board of Directors,
- set the amount and terms of payment of the annual member's subscription upon a proposal from the Board of Directors,
- elect, dismiss or approve the members of the Board of Directors
- modify the Articles of Incorporation,
- upon proposal from the Board of Directors, establish and modify the internal regulations of the Association,
- upon proposal from the Board of Directors, exclude a member,
- upon proposal from the Board of Directors, appoint the auditors of the Association and fix their terms of office.

The General Meeting shall meet at least once each year at the registered office or at any other place indicated in the notice. Said meeting shall take place in June of each year, unless decided otherwise by the Board of Directors.

The General Meeting may be convened at any time, on an extraordinary basis, by the Board of Directors and shall be so convened upon receipt of a written request signed by one third or more of the members of the Association. Meetings shall be held at the location indicated in the notice.

For all meetings written notices, including the agenda, shall be sent out by letter, fax or e-mail to all members and observers at least three weeks prior to the date fixed for the holding of the meeting. The notices for the yearly General Meeting shall include a copy of the annual accounts and the yearly report of the Board of Directors, as mentioned in article 17 hereunder.

Article 9 : Voting at General Meetings

Subject to the provisions of Article 10 hereunder, the quorum for both the annual and any extraordinary meeting of members shall be 15 full members or one third of the total number of full members, present or represented, whichever is less. If the quorum of full members is not present, a new meeting shall be convened within 4 weeks of the date of the first meeting and all resolutions and decisions taken at the second meeting shall be validly adopted, no matter how many full members are present or represented.

Each eligible full member shall have one vote.

Full members may be represented at any meeting by another full member, acting on the basis of a written power of attorney, specific to the meeting in question.

A full member may not act as the appointed representative of more than two other full members.

Subject to the provisions of the present Articles of Incorporation, all decisions of the General Meeting shall be adopted by simple majority of the full members present or validly represented at the meeting.

A copy of the minutes of the General Meeting shall be forwarded to all members in writing (by e-mail) within four weeks.

Article 10 : Modification of the Articles of Incorporation

Without prejudice to the law of June 27th, 1921, any proposal to modify the Articles of Incorporation of the Association shall originate with the Board of Directors or at least 2/3 of the full members of the Association.

The Board of Directors shall make known to the members of the Association at least 3 months ahead of time, the date of the General Meeting which will decide the proposal.

The General Meeting may only deliberate if 2/3 of the full members able to vote are present or represented.

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However, if the General Meeting does not meet this requirement, a new General Meeting shall be convened on the same conditions as above, to decide definitively on the proposal in question, no matter what number of members are present or represented.

Article 11 : Board of Directors – Composition - election

Composition

The Association shall be administered by a Board of Directors (“the Board”) comprising a minimum of six directors and of a maximum of twelve directors; at least one director shall be of Belgian nationality. The Board of Directors shall appoint a Chairman, and up to two Vice-Chairmen and a Treasurer (called officers) amongst its members.

The Chairman, or in his/her absence, the Vice-Chairman, shall preside over meetings of the Board of Directors and all general meetings of the members of the Association.

Directors shall serve a term of office of 1 year. Directors that are also officers shall automatically serve a term of office of 3 years.

In order to guarantee the continuity in the management of the Association and benefit from his experience, the Past Chairman shall be invited to remain member of the Board of Directors for one more year following his last year of duty.

In addition, the Board of Directors may appoint 2 further non-voting (non-executive) directors as advisors.

Election

The directors shall be elected by the General Meeting of members.

All candidates for becoming a member of the Board of Directors’ shall present themselves for election at the General Meeting of the Association.

All members of the Board of Directors are eligible for re-election, provided that the Chairman and Vice-Chairman shall not be eligible for election more than twice consecutively to the same post

Candidates for election to the Board of Directors may be presented by any member of the Association.

Notice of the candidature, signed by a member of the Association and accompanied by a written declaration of acceptance signed by the candidate director, shall be forwarded to the Board of Directors at least one month prior to the date of the General Meeting.

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The Board of Directors shall include with the notices for the meeting a list of candidate directors.

Should a vacancy occur on the Board of Directors, the Board of Directors shall be free to co-opt a candidate of its choice up to a total of 2 co-opted directors.

Any person(s) so appointed shall remain in office until the next General Meeting when they are free to be a candidate for election as a director.

Article 12 : Board of Directors – Termination and Disqualification

Any member of the Board of Directors may be immediately dismissed by the General Meeting voting by a two thirds majority of those present or represented.

The term of office of a member of the Board of Directors shall immediately and automatically cease, without any further decision of the General Meeting, upon the happening of any one of the following events:

- a) at the expiry of his term of office as according to article 11 above
- b) if the member of the Board of Directors becomes bankrupt or makes any general arrangement or composition with his/her creditors;
- c) if the member of the Board resigns by written notice addressed to the Board of Directors of the Association;
- d) upon receipt by the member of the Board of Directors of a written request signed by all the other members of the Board of Directors requesting the member in question to resign.

Article 13 : Board of Directors – Meetings

The Board of Directors shall meet each time that the interests of the Association so require.

Board meetings shall be convened by the Chairman of the Board of Directors or at the request of at least four members of the Board.

Notices convening the meeting of the Board of Directors and including the agenda of the meeting in question shall be sent to each member of the Board by the Chairman of the Board at least 15 days prior to the meeting.

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Any member of the Board of Directors may be represented at a meeting of the Board by another member of the Board, by written proxy. No one member of the Board of Directors may have more than one proxy.

The Board of Directors may only validly deliberate if at least one half of its members, including any co-opted members, are present or represented. If less than half of its members is present or represented, a meeting shall be convened within 4 weeks of the date of the first meeting and all resolutions and decisions taken at the second meeting shall be validly adopted, no matter how many members are present or represented.

All decisions of the Board of Directors shall be taken by a simple majority of those members present or represented.

In the event of a tie, the person presiding the meeting of the Board shall have a casting vote.

The Chairman shall be responsible for ensuring that minutes are kept of all meetings of the Board and that said minutes are circulated to all members of the Board in writing (by letter, fax or e-mail) within one month of the holding of the meeting.

Article 14 : Board of Directors – Powers

The Board of Directors shall be fully empowered to carry out the objects of the Association.

To this end, the Board of Directors is invested with all powers of administration and disposal except for the powers granted by the present Articles of Incorporation to the General Meeting of members.

The Board of Directors may delegate the powers of day to day management to its Chairman, any officer or other member of the Board, or any other person, body or committee, whether or not composed of members of the Board, which it may determine.

In addition, the Board of Directors may delegate one or more specific powers to such person or persons as it may determine.

Article 15 : Representation

Except for specific powers of attorney, the Association is validly represented by the signature of two members of the Board of Directors, one of whom must be the Chairman, or in the event of his unavailability, his replacement.

All proceedings whether as plaintiff or defendant are conducted by the Board of Directors, represented by the Chairman or any other director appointed by the latter.

Article 16 : Winding-up and Liquidation

Upon proposal by the Board of Directors, the Association may be wound-up at any time by decision of the General Meeting of members deciding in accordance with the provisions of Article 10 hereinabove. Said decision shall appoint one or more liquidators for the purpose of conducting the winding-up.

In the event of winding-up, for whatsoever reason, the surplus assets of the Association, after all debts and liabilities have been settled, shall be put to the use of a non-profitable goal, such as determined by the General Meeting of members, deciding by a simple majority of the members present or represented.

If the assets of the Association are not sufficient to settle its debts and liabilities, the liquidator(s) shall be empowered to impose on all members of the Association at the time of winding-up the payment of a special contribution equal to a maximum of one half of the total subscriptions paid by each member during the three business years preceding the year in which the decision is taken to wind-up.

Article 17: Business Year, Accounts and Audit

The business year of the Association shall run from January 1st to December 31st.

The Board of Directors shall be obliged to submit to the Annual General Meeting of members accounts for the previous business year, with a report of the auditors confirming that they have examined said accounts, as well as a budget for the current year.

Article 18 : Liability of Members

Without prejudice to the provisions of Article 16, the liability of members shall be limited to the payment of their annual subscription.

Article 19 : Other Matters

For all matters not covered by these Articles of Incorporation reference shall be made to the Law of June 27th, 1921 relating to international associations.

Article 20: Definition of a Company and Public Sector Body

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This article provides guidance for the directors in deciding whether an applicant shall be eligible for full membership.

A company shall be an organisation with a legal status corresponding to a private company in one of the EU and/or ESA member states. Ownership by a public body shall not invalidate the company becoming a full member of EARSC neither if it is a non-profit organisation. Dependence of the organisation on annual, public grants for a period of more than 3 years shall be considered as evidence that the organisation is not operating as a private company unless a business plan is made available showing how such a transition away from dependency on public funding is to be achieved.

A public sector body (PSB) is defined as a national public-sector body or bodies governed by private law with a public-service mission providing adequate financial guarantees. They shall be considered as a PSB if they are in some way vested with government authority.

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