

**STATUTES OF THE "EUROPEAN LEAF TOBACCO INTERBRANCH"  
MODIFIED BY THE MEMBERS EXTRAORDINARY GENERAL ASSEMBLY  
OF MAY 22, 2017  
UNOFFICIAL ENGLISH TRANSLATION**

**STATUTES**

**"EUROPEAN LEAF TOBACCO INTERBRANCH"**

**TRANSNATIONAL INTERBRANCH ORGANIZATION**

**OF THE EUROPEAN RAW TOBACCO SECTOR**

Article 1

**Establishment**

1. Under Articles 14 and following of the Italian Civil Code, the Decree of the President of the Republic of Italy of 10 February 2000 No 361 and the Commission Delegated Regulation (EU) 2016/232 of 15 December 2015, supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007, with regard to certain aspects of producer cooperation, a transnational Interbranch Organization is established, named **EUROPEAN LEAF TOBACCO INTERBRANCH**, in short **ELTI**, hereinafter in brief I.O., that shall perform the functions of the Interbranch Organization in the sector of raw tobacco produced in the territory of the European Union, pursuant to and for the purposes of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 and of Commission Delegated Regulation (EU) 2016/232 of 15 December 2015 and subsequent amendments.
2. Pursuant to ANNEX I, SECTION XIV of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013, the raw tobacco sector includes natural or unmanufactured tobacco and tobacco refuse included in heading No. 2401 of the Combined Nomenclature.
3. The I.O. will also undertake those additional purposes which may be determined by subsequent regulations of the European Union and by subsequent national rules of law in the concerned Member States.
4. The I.O. carries out its activities throughout the European Union.

Article 2

**Location and duration**

1. The I.O. has its legal seat in Rome and will continue until 31 December 2050, unless an extension is approved by the Assembly as required by law.

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2. The General Assembly may establish or abolish branch offices, subsidiaries, branches, representative offices, both in Italy and abroad.

Article 3

**Membership**

1. The I.O. may promote and/or adhere to other organizations, institutions and companies in general having purposes which may contribute directly and/or indirectly to the achievement of the Statutory purposes of the same I.O..

Article 4

**Scope and aims**

1. The I.O., without any profit or lucrative objective, in relation to the European Union raw tobacco intended for the internal and international market, taking into account the interests of consumers, aims to achieve the following aims with a particular attention to disseminate the information on the sector among small scale and young farmers:
- a) improving the knowledge and the transparency of the production and the market, including by publication of aggregate statistical data on production costs, prices, including, where appropriate, price indices, volumes and duration of the contracts which have been previously concluded, and by providing analyses of potential future market developments at regional, national or international level;
  - b) forecasting the production potential, and recording public market prices;
  - c) helping to coordinate better the way the raw tobacco is placed on the market, in particular by means of market research and studies;
  - d) exploring potential export markets;
  - e) drawing up standard forms of contract, compatible with the European Union and national laws, for the sale of raw tobacco to purchasers, taking into account the need to achieve fair competitive conditions and to avoid market distortions;
  - f) exploiting to a fuller extent the potential of the products, including the level of market outlets, and developing initiatives to strengthen economic competitiveness and innovation;
  - g) collecting, processing and providing the information and carrying the research necessary to innovate, rationalise, improve and adjust the production, the

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- processing and marketing, towards products more suited to market requirements and consumer tastes and expectations, in particular with regard to the product quality and protection of the environment;
- h) adapting the production and processing activities to the market requirements and improving the product quality and integrity;
  - i) promoting the rationalisation and improvement of the production and processing activities;
  - j) seeking ways of restricting the use of plant protection products, better managing other inputs, identifying and defining good agricultural practices, in order to ensure the product quality and the soil and water conservation, enhancing the sanitary safety of raw tobacco, in particular through traceability;
  - k) developing methods and instruments for improving products quality at all stages of production, processing and marketing;
  - l) developing methods and instruments to improve the economic efficiency of the sector through the reduction of the production costs;
  - m) promoting and carrying out research into integrated, sustainable production or other environmentally sound production methods;
  - n) contributing to the management of the by-products and the reduction and management of waste;
  - o) drawing up, with regard to the technical procedures related to the production and marketing, stricter rules than those laid down by the European Union and national regulations for raw tobacco in the concerned Member States;
  - p) implementing the actions foreseen in the programs presented by one or more member organizations and approved by the Assembly and, where applicable, by the competent Authorities;
  - q) handling relations with other organizations and public and private entities that have objectives similar to those of the I.O.;
  - r) to collaborate with the public administration, in particular with the European Commission and, in the concerned Member States, with the Ministries of Agriculture and Rural Development and with the Ministry of Economy and Finance, in order to contrast the activities of illicit production and trade in the raw tobacco sector;

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- s) promoting and contributing actively to the implementation of control instruments and systems, to ensure the full and free competition and fair and equitable conditions, for all the operators in the raw tobacco sector;
- t) performing financial and real estate operations useful to the achievement of institutional objectives;
- u) submit proposals to public institutions and the competent bodies of the public administration in the context of the social objectives;
- v) establishing financial funds for the achievement of the institutional objectives;
- w) performing also all the other duties provided for by the legislation of the European Union on Interbranch Organizations and by the applicable national and regional laws in the concerned Member States.

Article 5

**Members requirements**

1. European level organizations representing economic operators in the sector of production and/or processing and/or trade of raw tobacco produced in the European Union recognized, were applicable, by the competent Authorities, can be members of the I.O..
2. The candidate members of the I.O. should be registered in the Transparency Register for organisations and self-employed individuals engaged in EU policy-making and policy implementation, established after the Interinstitutional Agreement between the European Parliament and the European Commission.
3. Subjects who carry out activities conflicting with the objectives and interests of the I.O. cannot be part of the I.O..

Article 6

**Members admission**

1. The admission of the new members is subject to the approval by the Board of Directors to which the candidate member must address a specific and circumstantiated request. The candidate member is obligated to provide the Board of Directors with all the documentation that will be deemed necessary to evaluate the possession of the requirements of Article 5 of the present Statutes.
2. In the application, the candidate member must confirm that he is fully aware of the provisions of the present Statutes, the relevant resolutions already adopted by

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the governing bodies of the I.O. and of any regulations issued on the basis of the provisions of the present Statutes and those provided by the rules in force in the matter.

3. The decision of the Board of Directors to approve the admission of a new member has to be ratified by the General Assembly.
4. If the application for the admission is accepted, the new member must arrange to pay the membership fee and any other charges imposed by the governing bodies within 15 (fifteen) days after the notification of its ratification by the General Assembly.

Article 7

**Members obligations**

1. Each member commits himself to:
  - a) act in accordance with the agreements made within the I.O. or by the latter with third parties if that is not contrary to their members' nation's interests and does not breach their national regulations;
  - b) pay a membership fee of the amount established by the Board of Directors and the financial contributions determined on the basis of the social budget and in pursuit of the social objectives;
  - c) comply with the resolutions of the governing bodies and observe all the rules laid down according to the Statutes if that is not contrary to their members' nation's interests and does not breach their national regulations;
  - d) not join other organizations with the same objectives;
  - e) replace the member of the Board of Directors indicated in its representation in the case referred to in Article 17, fourth paragraph, within the first meeting following that in which it is formalized the termination of the office.
2. In relation to the dimension of the financial contributions, excluding the initial membership fee, it is understood that the parity must be ensured between the two groups in which it is articulated the Assembly.

Article 8

**Members resignation**

1. In addition to the cases provided by the applicable laws, any member who has missed the requirements for the

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admission or who is no longer able to participate in the pursuit of the social objectives or who provide an explicit and justified communication to the Board of Directors has to withdraw from the I.O..

2. The withdrawal must be communicated to the Board of Directors by registered letter with return receipt to be sent at least six months before the closing of the fiscal year; the withdrawal shall take effect from the end of the year or the following year in the case in which the communication is received after June 30.
3. If the resigning member has outstanding commitments he must regularly accomplish them.
4. At the time of withdrawal, nothing is due to the withdrawing member, with particular reference to the membership fees and other fees paid and the social assets.
5. The membership fees are neither transferable nor can they be revalued.
6. In case that, following the resignation of a member, there remains no member representing the sector of production or the sector of processing of raw tobacco, the I.O. is led to its dissolution.

Article 9

**Members exclusion**

1. The exclusion is decided at any time by the Board of Directors in respect of the member who:
  - a) has been insolvent;
  - b) is founded guilty of serious breaches of the provisions of the present Statutes and the resolutions of the I.O.;
  - c) is no longer able to participate in the achievement of the social objectives;
  - d) has lost the requirements provided by in Article 5 of the present Statutes;
  - e) fails to comply with the decisions and resolutions approved by the competent social bodies.
2. The decision of the Board of Directors to exclude a member has to be ratified by the General Assembly.
3. The exclusion resolution, signed by the legal representative of the I.O., must be notified to the excluded member by registered letter with return receipt within 15 (fifteen) days from the date on which it is ratified by the General Assembly.

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Article 10

**Governing bodies of the I.O.**

1. The governing bodies of I.O. are the Assembly of the members, the Board of Directors, the President and the Board of Auditors.

Article 11

**Members' Assembly**

1. The members' Assembly may be ordinary and extraordinary. The Assembly is composed by the members.
2. The Annual Ordinary General Assembly shall be convened by the President, upon a resolution of the Board of Directors within the first four months following each fiscal year end to approve the financial statements and balance sheets of the past fiscal year and the budget for the current financial year.
3. The General Assembly shall also be convened whenever the Board of Directors deems it necessary or after a justified request made in writing, specifying the topic for the discussion, by the Board of Auditors or by one third of the members.
4. The Assembly is chaired by the President of the I.O., in case of his absence the meeting is chaired by the Senior Vice President.
5. The coordinators of the product committees referred to in Article 20 are invited to the Assembly without the right to vote.

Article 12

**Participation and representation in the Assembly**

1. Each member, duly registered in the register of members, is entitled to attend the meeting with his delegate. The Assembly is composed equally by two groups that represent, on the one hand, the organizations of tobacco growers and on the other the organizations of tobacco processors and traders.
2. A representation of the European workers' trade unions Organization in the sector of raw tobacco may be invited to assist to the meetings of the Assembly.
3. The Assembly may also be held in audio/video conferencing, with participants located in different places, near or distant, with audio/video connections, provided that they comply with the method and the principles of good faith and equal treatment of all members.
4. In particular, it is necessary that:

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- a) the President and the Secretary of the Assembly, who shall draft and edit the relevant Minutes, are present in the same place;
  - b) the President of the Assembly has the ability to ascertain the identity and legitimacy of the participants, direct the proceedings, determine and announce the results of the votes;
  - c) the person drafting the minutes has the ability to adequately understand any Assembly event to be drafted;
  - d) the participants are able to take part in the discussion and to vote simultaneously on the agenda topics;
  - e) the convening notice (except in the case of totalitarian Assembly) indicates the audio/video linkups places arranged by the I.O., where the attendees could convene, considered that the meeting is intended to take place where there will be present both the President and the recording Secretary.
5. The President of the Assembly has the right to verify the right of intervention to the Assembly and to resolve any possible disputes.
6. Members in arrears regarding the payments or the performance of the obligations under Article 7 may not exercise the right to vote.

Article 13

**Ordinary Assembly**

1. The Ordinary Assembly shall be convened by the President upon convocation sent by registered mail, at least 15 (fifteen) days before the meeting. Alternatively, the call may also be made by written communication with any media (paper or electronic) and sent using any system (including fax and email), as long as proof of receipt is guaranteed, at least 15 (fifteen) days before the date fixed for the meeting. The convocation must contain information about the matters to be discussed. In case of urgency, the Assembly may be convened by telegram or fax or electronic mail, provided that in the latter case, the proof of receipt is guaranteed, at least 7 (seven) days before the meeting.
2. The Assembly can validly deliberate when are present at least 2/3 (two thirds) of the members from each of the sectors represented in the I.O..
3. The Assembly:



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- a) provides for the approval of the provisional budget, the final financial statements, balance sheets and the annual report prepared by the Board of Directors;
  - b) elects the President and the members of Board of Directors and determine the number of its members;
  - c) establishes the Product Committees foreseen in Article 20;
  - d) elects the Board of Auditors and its President;
  - e) adopts the functioning rules of the Products Committees as well as those that it considers necessary for the proper functioning of the I.O.;
  - f) provides the general directions of action of the I.O. and decides on any other matter devolved to it under the present Statutes and the national and EU legislation;
  - g) deliberates and decides on any other matter inscribed in the Agenda.
4. For the validity of the decisions of the Assembly the unanimity of those present with voting rights is required.

Article 14

**Extension of rules, agreements, decisions and concerted practices**

1. If the decisions taken by the Assembly dealt with:
- 1) knowledge of the production and the market;
  - 2) more restrictive production rules with respect to the European Union or national regulations;
  - 3) drafting of standard contracts compatible with the European Union and national laws;
  - 4) rules relating to marketing;
  - 5) rules relating to environmental protection;
  - 6) measures to promote and improve the potential of the products;
  - 7) actions for protection organic farming as well as designations of origin, quality labels and geographical indications;
  - 8) research activities aimed to add value to the products, in particular through new uses which do not pose or reduce the danger to public health;
  - 9) studies to improve the quality of the products;

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- 10) research, in particular on methods of cultivation which allow reduced use of plant protection products and guarantee the conservation of the soil and the preservation or enhancement of the environment;
- 11) definition of minimum quality standards and minimum standards of packing and presentation of the products;
- 12) use of certified seeds and monitoring of the product quality;
- 13) protection of the plant health;
- 14) by-products management,

and are taken in accordance with the EU and interested Member States national legislation, it is mandatory to I.O. to communicate to the competent Authorities, in order to obtain that such agreements, decisions or concerted practices agreed on within the I.O. should become mandatory, for a specified period of time, and therefore to be considered valid and enforceable *erga omnes*, establishing the conditions for the extension towards other active players, individually or grouped, in the economic areas concerned and not adhering directly or indirectly to the I.O..

2. The above-mentioned rules, agreements, decisions or concerted practices, to be made extensible *erga omnes*, shall not affect other European Union players and must not have any of the effects listed under Article 210, paragraph 4 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013, nor are they in other respects incompatible with European Union laws or the national legislation in force in the concerned Member States.
3. The agreements, decisions and concerted practices which:
  - a) may cause in any form a partitioning of the markets within the European Union;
  - b) may affect the sound operation of the markets organization;
  - c) may create distortions of competition which are not essential to achieving the objectives pursued by the I.O.;
  - d) entail the fixing of prices or quotas;
  - e) may create discrimination, reduce or eliminate competition for a substantial part of the products in question,are in any case incompatible with the European Union laws.

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If the rules established by the Assembly are extended *erga omnes*, in accordance with Article 164 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013, and if the activities covered by these rules are of general interest to the economic operators whose activities are related to the products in question, the competent Authorities in the area concerned may decide that individuals who do not adhere to I.O., but benefit from such activities, shall be liable to pay to the I.O. an amount equal to all or part of the financial contributions paid by the members, to the extent that such contributions are intended to cover the expenses directly incurred in the implementation of the activities in question.

Article 15

**Contractual relations**

1. The I.O. will exercise due diligence to ensure that national Ministries of Agriculture of the concerned Member State, in accordance with the principles of Article 168 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 decides, with respect to the raw tobacco sector:
  - a) that each delivery of raw tobacco in the national territory of the concerned Member States by a tobacco producer to a processor or trader should be subject to a written contract between the parties, and/or
  - b) that the first purchasers must make a written offer to contract for the delivery in the concerned Member State territory of these products from the producers,the above-mentioned contract or the offer of the contract must meet the requirements referred to in paragraphs 4 and 5 of this Article.
2. The I.O. will exercise due diligence to ensure that the national Ministry of Agriculture of the concerned Member State decides that the delivery of raw tobacco from a producer to a purchaser shall be subject to a written contract between the parties; that it is also decided which phases of the delivery are covered by such a contract when the delivery of the products concerned is made through one or more intermediaries, taking into account that these provisions do not affect the proper functioning of the internal market.
3. In the case referred to in paragraph 2, the Ministry of Agriculture of the concerned Member State may establish a mediation mechanism to be applied to the cases in which it is not reached a mutual agreement for the

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conclusion of a contract, thereby ensuring fair and equitable contractual relations.

4. Any contract or offer of contract referred to in paragraph 1:
  - a) is concluded before the delivery;
  - b) is concluded in writing; and
  - c) includes, among other things, the following elements:
    - i) the price payable for the delivery, that:
      - is fixed and is established in the contract, or
      - is calculated by combining various factors set out in the contract, which may include market indicators that reflect changes in market conditions, the quantities delivered and the quality of the raw tobacco delivered;
    - ii) the quantity and quality of raw tobacco that can and/or must be delivered and the timing of such deliveries;
    - iii) the duration of the contract, which may be of fixed or indefinite period, including termination clauses;
    - iv) details regarding payment deadlines and procedures;
    - v) the arrangements for the collection or the delivery of the raw tobacco and
    - vi) the rules applicable in the event of *force majeure*.
5. All the elements of the contracts for the delivery of raw tobacco concluded by producers, processors or traders, including those elements referred to in paragraph 4, letter c), shall be freely negotiated between the parties.

Article 16

**Extraordinary Assembly**

1. The Extraordinary Assembly is convened by the President, after a resolution of the Board of Directors, upon convocation sent by registered mail, at least 15 (fifteen) days before the meeting. Alternatively, the convocation may also be made by written communication with any media (paper or electronic) and sent using any system (including fax or email), as long as proof of

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receipt is guaranteed, at least 15 (fifteen) days before the date fixed for the meeting. The notice must contain information about the matters to be discussed. In case of urgency, the Assembly may be convened by telegram or fax or electronic mail, provided that in the latter case, the proof of receipt is guaranteed at least 7 (seven) days before the meeting.

2. The Extraordinary Assembly decides on amendments to the Charter and the Statutes, on the extension of the duration and the possible early termination of the I.O., on the appointment of the liquidators and their powers.
3. The Extraordinary Assembly can also decide on any other matter inscribed in the Agenda, with the exception of the matters listed in paragraph 3 of Article 13 of the present Statutes.
4. The Extraordinary Assembly is validly constituted when are present at least 2/3 (two thirds) of the members from each of the sectors represented in the I.O.. The Extraordinary Assembly decides at unanimity of those present entitled to vote.

Article 17

**Board of Directors**

1. The I.O. is managed by the President and a Board of Directors composed of a minimum of 2 (two) to a maximum of 40 (forty) members, equally distributed among the representatives of the two groups which constitute the Assembly, appointed by each member organization. Each member Organization has the right to be represented in the Board of Directors, according to the decision take by the Assembly, ensuring the parity between the two groupings.
2. Each new member Organization designates a representative in the Board of Directors; in order to restore the parity, the other grouping designates its further component. In case of withdrawal of a member, in order to maintain the parity, the group to whom the withdrawing member belongs designates a new component.
3. The Board of Directors may invite to attend to its meetings also subjects who are not Board members, where if the need arises. The Coordinators of the Product Committees foreseen in Article 20 may also be invited to attend to the meetings of the Board of Directors every times specific issues related to the relevant productive sectors will be discussed.
4. The Board of Directors shall remain in office for three (3) years. If, during the period, one or more members lacks, the Board of Directors shall replace him/them;

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members so appointed shall hold their office until the next Assembly meeting. If a Board member is unjustifiably absent for 3 (three) consecutive meetings he shall withdraw from his office.

5. If half plus one of the members of the Board of Directors lack, the Assembly must be urgently convened by the Board of Auditors for their replacement, in the meantime the Board of Directors may carry only the ordinary administration acts.
6. The Board of Directors shall elect within its members 2 (two) Vice Presidents.
7. The Board of Directors shall meet at the social seat or elsewhere, whenever the President or his/her substitute deems it necessary or at the request of 1/5 (one fifth) of the Directors. The Board of Directors shall be convened by the President, or in his absence or impediment, by the Senior Vice President, by letter or by fax or e-mail message, provided that it is guaranteed to receive, bearing the agenda, to be sent at least 7 (seven) days before the date of the meeting. In case of urgency, the notice may be sent by any means of communication provided that all Directors are notified at least 2 (two) days before the meeting.
8. For the validity of the meetings of the Board of Directors it is required the presence of 2/3 (two thirds) of the members in office. The Board shall decide at unanimity of those present entitled to vote.
9. Is admitted the possibility that the meetings of the Board of Directors may be held by audio/video conferencing, provided that all the participants can be precisely identified and are able to follow the discussion and intervene in real time in the discussion of the topics, as well as examine and be able to transmit and receive documents. Under these requirements, the Board of Directors shall be considered held in the place where the President and the Secretary of the meeting are present to enable the drafting and signing of the Minutes in the appropriate book.

Article 18

**Powers of the Board of Directors**

1. The Board of Directors is invested with the powers for the ordinary and extraordinary management of the I.O. except those which by law or the Statutes are to be entrusted to the Assembly.
2. The Board of Directors, in order to achieve the social objectives of the I.O., promotes the creation of the

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Product Committees referred to in Article 20 and appoint the components.

3. The Board may assign special duties to the President, Vice Presidents and individual Directors.
4. The Board may provide for the appointment of a Secretary general of the I.O..
5. The Board decides upon the adhesion of the I.O. to European or International organizations.

Article 19

**President**

1. The President has powers of signature and of legal representation of the I.O. in court and to third parties; in the case of absence or impediment, he is substituted by the Senior Vice President.

Article 20

**Product Committees (variety groups)**

1. The Product Committees can be established in accordance with Article 13, and shall be chaired by a responsible Coordinator and composed of representatives of the I.O. members interested in a specific tobacco variety group.
2. The Committees may invite to attend to its meetings individuals who are not members of the Committees themselves, where if the need arises.
3. The Committees hold its office for the same period of time of the Board of Directors.
4. The Committees, if established, enjoy functional autonomy for specific issues pertaining to the variety group represented. Specific subject of the activities of the Committees, if established, are those contained in Article 4 of the present Statutes, with the exception of those foreseen in letters p) to w).
5. The proposals from the Product Committees product are subject to the approval of the Board of Directors of the I.O. for the verification of the compliance with the general action and financial compatibility with the budget of the I.O..
6. The Committees meet at the social seat or elsewhere, whenever the Coordinator deems it necessary or when requested by at least 1/5 (one fifth) of the components. The convocation of the meeting must be sent in copy to the Board of Directors of the I.O..
7. Where possible, the meetings of the Product Committees can be arranged by audio/video conferencing, provided that all the participants can be accurately identified

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and that they are able to follow the discussion and intervene in real time on the discussion of the topics, as well as examine and be able to transmit and receive documents. If these requirements are proved, the Committee meeting is considered held in the place where is located the Coordinator of the meeting, to enable the drafting and signing of the minutes.

Article 21

**Board of Auditors**

1. The Board of Auditors consists of three (3) full members and two (2) substitutes, appointed by the Assembly even among individuals who are not related to the I.O. members.
2. The President of the Board of Auditors is elected by the Assembly.
3. The Auditors shall remain in office for the same period of the Board of Directors and may be reappointed. The Board of Auditors shall exercise the tasks and functions in accordance with the provisions of the Italian Civil Code and other applicable rules of law.

ARTICLE 22

**Secretarial office**

1. The Secretarial office, if appointed, is composed by the pro-tempore secretaries of all the I.O. member organizations and is responsible for the implementation of the resolutions of the Board of Directors.

Article 23

**Financial year and revenue**

1. The financial year of the I.O. ends on 31 December of each year.

The revenue of the I.O. will consist of:

- a) contributions of the members, approved annually by the Assembly in accordance with the budget and the financial statements of the I.O.;
- b) specific contributions to the various initiatives undertaken by the operators concerned;
- c) public subsidies of the European Union, national and regional;
- d) contributions from private external parties, in support of the I.O. activities;
- e) any possible financial income.

ARTICLE 24



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**Assets**

1. The I.O. assets consist of:
  - a) movable and immovable property which by purchases, bequests, donations, or otherwise, are in the ownership of I.O.;
  - b) the amounts that the Board of Directors destinies to form financial reserves or provisions.

It is forbidden to distribute even indirectly, profits or surpluses as well as funds, reserves or capital during the life of I.O., unless the distribution is required by law.

Article 25

**Dissolution**

1. In case of dissolution of the I.O. the Extraordinary Assembly Meeting shall appoint one or more liquidators, and determine the skills and compensation.
2. The residual fund that might be available at the end of the liquidation after the payment of all liabilities will be used in the manner prescribed by the Assembly, in accordance with the legislation in force, in favour of another association with similar objectives or for the purposes of public utility, unless otherwise required by law.

Article 26

**Disputes**

1. For the purposes of this article, which has the meaning of an arbitration clause, the settlement of all disputes between the members and the I.O., whatever their technical, administrative and/or legal nature, arisen in the application and interpretation of the provisions of the present Statutes, the regulations, and any other act deliberated by the social bodies, shall be referred to the judgment of a Court of Arbitration, which will act in ritual form.
2. The Court of Arbitration will be composed from time to time by three (3) Arbitrators composers, two of which are appointed by the parties in dispute and the third, who serves as President, appointed by mutual agreement between the first two.
3. In the event of failure to agree, the appointment of the third arbitrator shall be made upon request of the most diligent party by the President of the Court of Rome.
4. The final deadline to appeal to the Court of Arbitrators shall be 30 (thirty) days from the date of knowledge of

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the decision which is the subject of the dispute, the Arbitrators' fees and the costs of the proceedings shall be borne by the losing party, unless otherwise specified in the arbitration.

5. The Court of Arbitrators will be established under and for the purposes of articles 808 and following of the Italian Civil Procedure Code.
6. For disputes of a legal nature the competent Court is that of Rome.

Article 27

**Reference to the provisions of the Civil Code**

1. For anything not covered in the present Statutes the provisions of the Italian Civil Code and the legislation in force will apply.

Article 28

**Implementing provisions**

1. The regulation of the operation of the Product Committees referred to in Article 20 will be proposed to the Assembly by the Board of Directors for the approval.
2. The President of the I.O. is authorized to make any amendments to the present Statutes and to the Charter of the I.O. that may be required by law or by the public administration responsible for the achievement of the recognition of the I.O. under Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 and of the Commission Delegated Regulation (EU) 2016/232 of 15 December 2015, and their subsequent amendments.