

STATUTES

Union of Mediterranean Confederations of Enterprises "BUSINESSMED"

(Association ruled by the Tunisian law N° 80/1993)

Statutes modified by the General Assembly of October 20th, 2020¹

PREAMBLE

The creation of the Organisation "UNION OF MEDITERRANEAN CONFEDERATIONS OF ENTERPRISES" (hereinafter the "Organisation") results from the will of the Presidents of the main multisectoral business organisations from twelve Mediterranean countries which participated in the Barcelona Process meeting in Constitutive Assembly to create a legal entity representing the EU-funded UNIMED Business Network. The UNIMED project was managed by UNICE (former denomination for BUSINESSSEUROPE) and co-financed by the MEDA program, whose mission was to strengthen employer organisations in partner Mediterranean countries and network them with their counterparts in the European Union.

The creation of the organisation in Istanbul in 2002 responded to the call for a broader agenda and a new momentum in the Euro- Mediterranean integration process. In particular, the 12 funding countries called on Euro-Mediterranean governments, the European institutions and all parties interested in the Euro- Mediterranean Partnership, to take action in the following two main areas: economic integration and the human dimension of integration.

ARTICLE 1

NAME, LEGAL CHARACTER, DURATION AND HEADQUARTERS

- 1.1. A de facto a Regional, Non-Governmental and non-profit making Organisation, has been set up under the name: Union of Mediterranean Confederations of Enterprises, "BUSINESSMED".

¹ Revised by the Extraordinary Elective General Assembly on October 20th 2020 held virtually during COVID -19
Revised by the General Assembly on November 21st 2018 in Barcelona
The Statutes were amended during the General Assembly held in Barcelona, on November 27th 2014



BUSINESSMED

Union of Mediterranean Confederations of Enterprises

- 1.2. BUSINESSMED organisation, was declared in Tunis on the 23rd December 2003 by decree N° 2003-2637, is governed by the Tunisian law of associations Non-Governmental N° 80/1993 and the present statutes.
- 1.3. Its duration is unlimited.
- 1.4. BUSINESSMED's headquarters is currently in Tunis. It may be transferred to any other location upon decision of the General Assembly.

ARTICLE 2

SUBJECT

- 2.1. The purpose of BUSINESSMED is to establish institutionalized cooperation between business organisations from member countries, in order to contribute to the Euro-Mediterranean and to explore the opportunities of the Mediterranean Neighborhood markets.
BUSINESSMED's mission is to ensure concerted action by these employers' business organisations vis a vis the governments and the business community, favoring the adoption, where necessary, of policies conducive to the transition to a market economy under optimal conditions for countries member of the Union for the Mediterranean - UfM, and to the liberalization of trade among themselves and with countries of the European Union (EU).

BUSINESSMED likewise makes representations to the Institutions of the European Union in order to ensure the efficient implementation of the decisions adopted in the framework of the Union for the Mediterranean (UfM).

- 2.2. More generally, BUSINESSMED promotes the social and economic interests of the companies represented by its members.

BUSINESSMED provides its members with information, carries out or commissions studies, manages the projects of the different donors, adopts positions and promotes them.

BUSINESSMED is the counterpart of BUSINESSSEUROPE (the Union of Industrial and Employers' Confederations of Europe) which represents companies in European countries, and other organisations. BUSINESSMED can provide services directly to enterprises, in accordance with the conditions of the Internal Rules.

- 2.3. BUSINESSMED may carry out any legal act directly or indirectly connected with its object, in part or in whole, or liable to help it achieve its object.
- 2.4. BUSINESSMED is a non-profit making organisation.

ARTICLE 3

MEMBERS

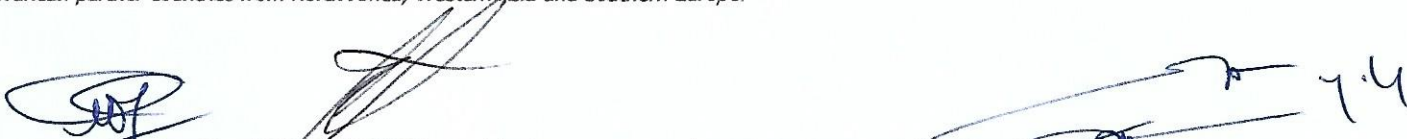
- 3.1. BUSINESSMED includes representatives of employers' business organisations at the national level from countries of the UfM. It is clearly understood that these organisations are independent, representative of the private sector.
- 3.2. More than one (01) employer organisation per country may be accepted/ recognized as a member of BUSINESSMED. However, the rule "a country - a vote" will always remain applicable. In this case, the organisations that joined BUSINESSMED first, and paying their contributions, are considered main voting members, with a shared consensus on voting decisions.
- 3.3. Associate members may include the following:
- A new organisation besides an existing members' organisations in the BUSINESSMED Network which is not employer organization.
 - A regional organisation from the global community that may have potential partnership scheme with BUSINESSMED
- 3.4. New members & Associate members could only be member of BUSINESSMED after the prior approval of BUSINESSMED's confederation member from the same country.
- 3.5. Regional, national or sectoral association representative of the private sector, from UfM² countries, may be admitted as associate members, according to the provisions of the Internal Rules without voting rights.
- 3.6. Each candidate becomes a member of BUSINESSMED after signing a partnership contract with BUSINESSMED and being approved and announced by the General Assembly.
- 3.7. Each Application for membership must be addressed, in writing, to the President of BUSINESSMED. It must be accompanied by the following documents written in English, French or Arabic:
- (a) a copy of the applicant's Statutes,
 - (b) a list of its board members
 - (c) a short report indicating its relative significance, the extent of its representativeness, independence, its apolitical nature, and its affiliation to the private sector.
 - (d) a letter confirming the candidate organization's commitment to the Statutes and Internal Rules of BUSINESSMED with certified signature.

ARTICLE 4

RESIGNATION AND EXCLUSION OF A MEMBER

- 4.1. The statutes of BUSINESSMED's member ceases by resignation or exclusion. Any member is entitled to withdraw from BUSINESSMED.

² The *Union for the Mediterranean (UfM)*; French: *Union pour la Méditerranée*, Arabic: *الاتحاد من أجل المتوسط* is an intergovernmental organisation of 43 member states from Europe and the Mediterranean Basin: the 27 EU member states and 15 Mediterranean partner countries from North Africa, Western Asia and Southern Europe.



- 4.2. Resignations must be submitted to the President of BUSINESSMED by a registered letter addressed to its headquarters. A resignation notified will only become effective as of the 31st December of the year following that of notification of the resignation
- 4.3. A member may be expelled from BUSINESSMED if it has seriously failed to meet its obligations under the present statutes, if it wilfully hinders the achievement of BUSINESSMED's corporate purpose, or if it is no longer representative under the terms of Article 3 of these Statutes.
- 4.4. Any member that has not paid its financial contribution and asked by letter to make the payment, does not do so within six months of receiving the registered letter requesting payment, can no longer benefit from BUSINESSMED's services, neither could access, participate in the projects' or take advantages of the activities managed by BUSINESSMED. The Assembly may decide according to Article 4.5: a) to freeze membership after [two years] of non-payment of the annual fees; b) withdrawal of membership status after 5 years of non-payment of the annual fees.
- 4.5. Exclusion is decided by the General Assembly. It becomes effective on the date fixed by the Assembly.
- 4.6. Withdrawn or excluded member has no claim on the assets of BUSINESSMED.

ARTICLE 5.

FINANCIAL CONTRIBUTIONS

- 5.1. Payment of a financial contribution is fixed and specified in the appendix for all members.
All members and partners can donate at their discretion to support BUSINESSMED.
- 5.2. At the beginning of each month of January, BUSINESSMED administration should make a call for contribution to all its members. The settlement should occur no later than June 30th of each year.
- 5.3. Only voting members that paid their membership fees to BUSINESSMED shall participate to vote and present their candidates to the organisation's election positions.

ARTICLE 6

The Organisation relies on a deliberating body, a steering body and an executive body.

GENERAL ASSEMBLY

GENERAL ASSEMBLY, deliberating body supporting the Organisation

- 6.1. Each member is represented in the General Assembly by their respective Presidents or by an authorized representative designated by the Executive Board of the organisation, in writing for this purpose.

6.2. The General Assembly has full powers and is BUSINESSMED supreme decision-making body. It defines BUSINESSMED's policies and strategies and interprets the scope of BUSINESSMED's objectives. Without prejudice to the generality of the foregoing, only the General Assembly is empowered to:

- Elect the President and the Vice-Presidents of BUSINESSMED,
- Elect the Executive Board of the organisation
- Appoint or dismiss the Treasurer
- Decide on the country location of BUSINESSMED
- Decide on any amendments of these Statutes if required
- Approve new members
- Approve BUSINESSMED's Internal Rules
- Approve BUSINESSMED's annual budget and accounts
- Decide on the withdrawal of members
- Appoint or dismiss BUSINESSMED's General Secretary
- Approve the decision of Opening a sub-bank accounts for projects
- Decide on the dissolution of BUSINESSMED.

6.3. The General Assembly meets as often as required in the interests of BUSINESSMED and at least once a year with all the members.

6.4. The General Assembly shall be valid only if the voting members present or represented have at least half of the votes of all BUSINESSMED's members. In case of a tie vote, the President has the veto power.
The majority will be equal to the half of the members 'countries concerned plus one voice or validly represented at the General Assembly in case of amendments of the statutes or two-thirds of the BUSINESSMED's members fully represented in case of the liquidation of the organisation.

6.5. The President, in joint signature with the General Secretary, calls a General Assembly 45 days before the holding of General Assembly.
Should this quorum of voting members not be reached, a further meeting will be convened, at which the General Assembly's deliberations will be valid regardless of the number of members present or validly represented.

ARTICLE 7

VOTING AND DECISION-MAKING PROCEDURES

- 7.1. In adopting a position or deciding on its own affairs, BUSINESSMED shall seek a consensus among its members. If, despite reasonable efforts, there is a failure to achieve timely consensus, the issue may be put to the vote by two-thirds majority of present members.
- 7.2. When matters are put to the vote, each voting member country present or validly represented is entitled to one vote, regardless the number of employers' organisations from BUSINESSMED' members country .
- 7.3. The budget and the annual accounts are approved when at least half plus (1) of the votes cast by the voting member countries present or validly represented is collected.
- 7.4. The admission of a new member is subject to the Executive Board of BUSINESSMED and then voted at the General Assembly.

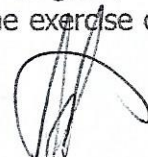


- 7.5. In the case of position taking, the voting member holder of a minority view may require this to be stated as a footnote.

ARTICLE 8

PRESIDENT AND VICE-PRESIDENTS

- 8.1. The President and the Vice-presidents of BUSINESSMED – from different countries of the Euro-Mediterranean region – must be Board Member of the Organisation, preferably the President on duty or Vice-president of their national professional organisations at the date of the elective General Assembly. The candidate must:
- i) Be a business man/woman and a high-level leader
 - ii) Performing a leadership role within a company
 - iii) Be a Board member of the national organisation and a voting member of BUSINESSMED
- 8.2. The Presidency and Vice-presidencies of BUSINESSMED are held by the national organisations elected by the General Assembly according to clause 6.2. These national organisations decide on the appointment of the individuals holding the respective roles of President and Vice-Presidents.
- 8.3. The General Assembly elects a President and two (2) Vice-presidents for a term of three years. The positions of the President and the two Vice Presidents have to represent the North Mediterranean (Europe), South Mediterranean (Mashreq), and the South East (Maghreb). Elected representatives leave their duties upon appointment of their successors by the General Assembly.
- 8.4. At the expiry of the period of 36 months, non-renewable consecutively: the first Vice-President succeeds to the President:
- The second Vice-President succeed to the first Vice-President;
 - The General Assembly opens the nomination and election for the position of the 2nd Vice-President
- 8.5. The President chairs the sessions of the General Assembly. In his absence, the sessions are chaired by the first Vice-president. In the case of long-lasting incapacity, the first Vice-president will carry out the functions of the President, if needed, until the expiry of the President's mandate. In his quality as the representative of the General Assembly, the President, monitors the implementation of the decisions by the General Secretary. The President represents BUSINESSMED at a highest level, vis-à-vis the third parties and in justice.
- 8.6. He/She signs his terms of contract & benefits of the General Secretary. He/she signs for the nomination of the General Secretary as a legal representative of the Organisation within the country of establishment to deal with day to day business. He/She signs the delegation of signatures for bank accounts and gives the power of attorney after consulting the Executive Board.
- 8.7. The President and the Vice-Presidents exercise their role as a "ex-gratia" and by honorific title, and keep on covering their own expenses for the exercise of their



function, and to fulfil their organisation's obligations in accordance with the statutes. Nevertheless, the organisation may provide certain travel and accommodations, within the limits of the annual budget and for any missions concerning only the organisation and of High Levels meeting representation, after consultation and agreement of the Treasurer and informing the Executive Board.

ARTICLE 9

THE EXECUTIVE BOARD, BOARD OF DIRECTORS THE TREASURER and THE COMMITTEES

9.1. EXECUTIVE BOARD, steering body supporting President

- 9.1.1 The Executive Board, elected for 3 years is made up of the President, two (2) Vice-presidents, a Treasurer (non-voting), one (1) member from the North and one (1) member from the South and the General Secretary of BUSINESSMED (non-voting). Additionally, each member or a former elected member of the Board must imperatively be an elected member of the board of directors of the National Federation of Employers; its mission is to take decisions in the event of force majeure, to provide the main proposals to the General Assembly, to execute the decisions of the General Assembly and the statutory provisions and any other provision deemed urgent and necessary in the interest of the organisation.
- 9.1.2 The Executive Board appoints the signatories of the BUSINESSMED bank account with the approval & delegation signed by the President
- 9.1.3 After the approval of the General Assembly and urgent concerns following the projects securing funding, the Executive Board can decide to add bank Sub accounts
- 9.1.4 Approval of internal procedural guides for the administrative and financial management
- 9.1.5 The Executive Board exercises its role as "ex-gratia" and an honorific title and continues to bear their own costs for the exercise of its functions, as well as to fulfil the obligations of its organisation as provided for in the statutes. Except for the Treasurer and the General Secretary.
- 9.1.6 The Executive Board meets (virtually or physically) every time it is necessary to take urgent decision. It is chaired by the BUSINESSMED's President.

9.2. BOARD OF DIRECTORS, adviser body supporting General Secretary

- 9.2.1 The Board of Directors is composed of the General Directors of National Employers' Business members organisations, endowed with voting right, or senior representatives nominated in writing for this purpose which have granted the authorities necessary to perform their duty.
- 9.2.2 The Board of Directors meets (virtually or physically) at least twice per year. It is chaired by the BUSINESSMED's General Secretary.



- 9.2.3 The Board of Directors is an advisory Committee, whose mission is:
- To support the General Secretary of BUSINESSMED in ensuring that adequate financial and human resources are available in the administration, so that the work program approved by the General Assembly can be effectively implemented.
 - To monitor the implementation of different projects, which BUSINESSMED is involved in to ensure the impact of these projects on the organisation & its members
 - To ensure that the objectives and policies further laid down by the General Assembly are met and implemented,
 - Ensure that positions, once adopted, are promoted and supported by all the member organisations
 - To implement internal procedures manuals for administrative and financial management

 - To propose new strategies and services to members.


9.3. THEMATIC COMMITTEES

- 9.3.1 On the basis of the decisions and the work program adopted by the General Assembly and based on the advice received by the General Secretary, the Board of Directors ensures the setting-up and implementation of their Thematic Committees.
- 9.3.2 The Thematic Committees are composed of persons nominated by member organisations, who are holding the necessary expertise and the authority to debate the issues with the aim of reaching consensus.
- 9.3.3 The General Assembly is the authority to establish the technical committees, permanent or temporary covering different thematic areas within the objectives of the organisation. Clear mandates for establishing a committee must be presented and a time frame for the temporary formed committees to achieve certain objectives must be set. Current active committees remain valid till they achieve their ongoing duties and the General assembly decides afterward on whether to keep or dissolve them.

ARTICLE 10

THE GENERAL SECRETARY AND THE ADMINISTRATION OF BUSINESSMED

- 10.1. The General Secretary of BUSINESSMED is proposed by the Executive Board and is appointed and dismissed by the General Assembly that defines his/her duties and powers. He/she reports to the General Assembly.
- 10.2. The General Secretary is responsible for the ordinary management of BUSINESSMED and ensures that it is effectively organized and structured so that the programs and policies laid down by the General Assembly are implemented. He/she helps the President to develop and preserve a spirit of goodwill and cooperation among the representatives of member countries.
- 10.3. The General Secretary is assisted by a secretariat. He/she recruits and dismisses the staff of BUSINESSMED's administration and determines their remuneration and other conditions of employment within the limits of BUSINESSMED's budget.



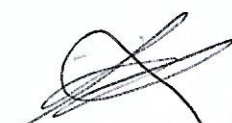

- 10.4. The General Secretary is mandated by the General Assembly and get the signed delegation from the President, in order to reinforce external funding and services provided to members and companies of BUSINESSMED, other than through annual fees, by legally representing BUSINESSMED in the submission and the award of projects granted by the different donors. He/She ensures the legal administrative, organisational and financial management with the various donors and under the donors' control, by relating annually to the General Assembly after informing the Executive Board. He/She follow up on the financial management with the Treasurer and the Administrative and Financial Director, as well as the Auditors.
- 10.5. The secretariat may benefit from additional staff on secondment from member organisations, provided that their salaries and on-costs are fully covered by their original employer, but all staff has to work in the country of residence of the organisation and subject to the local workers law. All nationalities are allowed but without any expatriate advantages.

ARTICLE 11

THE TREASURER, ADMINISTRATIVE, FINANCIAL & AUDIT RULES

11.1 THE TREASURER

- 11.1.1 The Treasurer is a certified accountant, member of the order of the chartered accountants from the hosting country. His/her payment, as an external consultant, is calculated on the basis of services provided, fixed by the General Secretary and the Administrative and Financial Director of BUSINESSMED. He/ she is nominated by the General Assembly for 3 years, attends the Executive Board meetings without having any voting power.
- 11.1.2. The Treasurer shall receive weekly by email, electronic expenses spending by the organisation and must approve an agreement to continue the financial operation by electronic vote by copying, the Executive Board in its decisions, and the General Secretary and the Administrative and Financial Director of BUSINESSMED.
- 11.1.3. The Treasurer shall keep track and a follow up of the expenses and the audits of the Organisation and particularly audit system. He/She must approve the final reports before they are co-signed by the General Secretary and the Administrative and Financial Director. He/she must present for approval the financial statements and the forecast budget of the organisation to the General Assembly for its approval.
- 11.1.4 The Treasurer cannot in any case decide on the expenditure of the projects nor on the partners budgets, according to the budget granted by the donors and already pre-established in a fixed budget and a consortium framework agreement, nevertheless he will have the right to access them.
- 11.1.5 Daily and repetitive expenses such as salaries, social security, monthly taxes, rent, water, electricity and telecommunications bills, which are treated in a systematic manner, will not be subject to the agreement of the treasurer, to avoid late payments, penalties for delay or any disruption of the day-to-day management of the organization, nevertheless he will have the right to access them.
- 11.1.6 If the Treasurer is unavailable for a certain period, the General Secretary will follow up all his/her role during the period of his/her unavailability and inform the Executive Board.



11.1.7 If the Treasurer resigns from his functions, the President of BUSINESSMED has to nominate the new Treasurer as soon as possible.

11.2 THE ADMINISTRATIVE, FINANCIAL & AUDIT RULES

11.2.1 The administration of BUSINESSMED follows the rules of the Administrative and Financial Guides, the Personnel Guide, revised by the Board of Directors and approved by the Executive Board.

11.2.2 Equally the administration follows the procedures guides of the various ongoing projects submitted by the project consortium.

11.2.3 ACCOUNTING PERIOD

The accounts include a detailed statement of incomes and expenditures, and a balance sheet. The accounting period begins on January 1st and finishes on December 31th of each year. The first exercise will start at the date of creation of the Organisation and finish on December 31th of the following year.

11.2.4 AUDIT

An Auditor is appointed by the General Assembly in conformity with Tunisian legislation every 3 years.


The audited financial statements are subject to the approval of the General Assembly during the last semester following the end of the audited period.

The check of accounts must be made by a member registered in the Order of Chartered Accountants of the hosting country.

11.2.5 RESOURCES AND FINANCIAL MANAGEMENT

The resources of Organisation are composed of:

- Membership fees;
- National or international funds granted within the framework of the budgets adopted by the contracting parties to the work program;
- Gifts and donations;
- Subsidies and allowances in connection with the missions granted to it, in particular by the European Commission, States, local authorities, publicly-owned establishments, international organisations and private companies; the EC contribution relative to the BUSINESSMED projects itself;
- Its own resources and all contributions compatible with the goals of Organisation and the legal provisions in force;
- Voluntary contributions by its members, in cash or in kind;
- Sponsorships and patronages;
- Economic activities and financial incomes;



- Sold items or revenues for services undertaken;
- Any other royalty or revenue compatible with its goals.

ARTICLE 12

DISSOLUTION AND LIQUIDATION

- 12.1. In case of dissolution decided by the General Assembly, this latter appoints one or more liquidators. Regards of the reasons of dissolution any assets remaining after clearing liabilities and covering tax costs and obligations towards the staff of BUSINESSMED's Administration, will be distributed to the member organisations on a pro-rata basis according to the average contributions paid by each member over the previous three financial years.
- 12.2. Should BUSINESSMED's assets be insufficient to clear all liabilities and in cover the costs, the members will be asked to provide with a special contribution, fixed on a pro-rata basis according to the average contributions paid by each member over the previous three financial years.

ARTICLE 13

DISPUTE SETTLEMENT

Disputes arising within BUSINESSMED shall be settled by Arbitration Committee comprised of three persons from BUSINESSMED. Each party to the dispute will appoint its own arbitrator. The two appointed arbitrators will agree on a third arbitrator. The Arbitration Committee's decision will be binding on all parties.

ARTICLE 14

INTERNAL RULES OF PROCEDURE

The Executive Board and the Board of Directors in collaboration with the General Secretary, can provide Internal Rules that will specify the contractual and financial rules of the organisation and supplement these statutes approved by the General Assembly.

In addition to the provisions expresses above envisaged, the internal rules of procedure specify all questions generally that the Board of Directors considers it useful to regulate within this framework.

ARTICLE ANNEXED FOR THE FINANCIAL CONTRIBUTIONS

Payment of a financial contribution is fixed and approved by the General Assembly; it can be reviewed anytime the Assembly decides :

- i) The member organizations, voting employers, as defined by the article 3.1 of the statutes, must pay an annual membership fee of 6000 Euros.
- ii) The non-voting associate members, must pay an annual membership fee of 2000 Euros.

President
 BUSINESSMED

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