

**GO EASE E.E.I.G.**  
**“GO EASE – E.E.I.G.: *Trans European network for the sustainable growth of social and responsible businesses*”**

**DRAFT INTERNAL REGULATION**

This Internal Regulation contains provisions for the execution of the contract establishing “GO EASE -E.E.I.G.” within the limits of the regulations set up by law or by the contract for the grouping’s transactions. In particular, it determines the rights and obligations of the members, manager(s) and his/her/their substitute(s). The Board of Members may amend the provisions of this Internal Regulation only by a decision taken unanimously. In case of a conflict between this Internal Regulation and the contract establishing the grouping, the contract shall prevail.

Members, manager(s) and his/her/their substitute(s) shall commit themselves to the respect of the following clauses:

**§ 1 - Member subscriptions**

All members and associate members shall pay an annual subscription. The amount of this annual subscription is set by the Board of Members, composed by the members acting collectively. Payment of the annual subscription must be made within 30 days after receipt of the invoice. The manager(s) or the substitute manager(s) acknowledge receipt of the payment by an e-mail receipt. A paper receipt will be supplied on request.

**§ 2 – Accounts of the members**

A capital account, a reserves account and a loan account shall be kept for each member.

1. **Capital account:** on the capital account only the contributions of the member are being accounted. The capital account is non-interest-bearing.
2. **Reserves account:** on the reserves account the share of the member in the profits (that, however, is not withdrawable) and the share in the losses of the member are being accounted. The reserves-account, in the case of assets for the grouping, is interest-bearing at the discount rate of the National Bank of Italy.
3. **Loan account:** on the loan account the withdrawable share in the profits, transfer from reserves, revenues, interest and other monetary transactions between the grouping and the member are being accounted. The loan account is on the debit and credit side interest-bearing at the discount rate of the National Bank of Italy.

NOTES: *The Board of Members can establish additional rules about (examples):*

- *Terms and conditions applying to subscriptions and contributions of members and associates members;*
- *Terms and conditions related to eventual admission fees for future new members*
- *Any internal covenant to regulate different levels of contributions*
- *Penalties for late or defaulting members*

**§ 3 - Accounts of the grouping and liability of members**

The legal framework for E.E.I.G. set in Italy is regulated by decree of July, 23 th1991 n.240, implementing Council Regulation (EEC) No 2137/85 of 20th July 1985 on the institution of European Economic Interest Grouping.

EEIC Regulation provides that the profits or losses resulting from the activities of a grouping shall be taxable only in the hands of its members: the Board of Members may approve, unanimously, a differentiated distribution of responsibilities among members and may provide a differentiated participation to financial results of the Group, based on different levels of contribution. In the absence of agreements, the division of profit and losses is partly equally among the members.

As consequence of the above mentioned principle of “fiscal transparency” established by article 40 of E.E.I.C. Regulation, the grouping is not subject to tax on personal income, tax on corporate income tax and local income tax.

National tax law apply as regards the apportionment of profits, tax procedures and any obligations imposed for:

- Accounting and annual balance (according to Italian law - Dlgs. N. 127/1991)
- Tax return of the EEIG and imputation of profits to members (regardless of their actual perception), according to the internal covenant about different level of liability of the members (or in equal shares).
- VAT accounting, as the EEIG registered in Italy is subjected to D.P.R. 633/1972 and it shall issue an invoice for services rendered to the members

NOTES: *The Board of Members can establish additional rules about:*

- **detailed procedure** to impute to the national and foreign members their part of EEIG's income
- **internal covenant** between the members of the grouping to divide profit and losses in proportion to the participation of each member to the reserve fund. The internal agreements about participation within the debts of the EEIG different for each member will not be opposable to third parties. However, the internal validity of the covenant of the limitation of liability will allow the member seek payment from third parties (who made all the payment), the compensation from the other, which are required to pay their share of the debt in the amount established in the Covenant and transposed the Internal Regulation.

#### § 4 - Managers

The grouping shall have one or more managers and one or more substitute managers (*to decide*).

The manager(s) and the substitute(s) shall not receive remuneration. Any costs and expenses incurred by their work and duly evidenced, shall be reimbursed within the limits of the annual budget.

Amongst others the manager's and substitute manager's duties shall include carrying out all formalities for the registration of the grouping with the appropriate authorities and for the updating of the grouping's registration files and the filing of incorporation documents. The manager or substitute manager may sign all documents and shall carry out all formalities for the publication of the grouping in the appropriate official gazettes.

The E.E.I.G. shall be validly bound vis-à-vis third parties only by the signature of one manager / joint signature of two managers (*to decide*).

NOTES: *It is possible to limit the power of representation of the managers towards third parties stating that they jointly sign all acts or a part of them. This limitation is enforceable against third parties only if published.*

*Possible options for the choice of managers:*

- A sole manager
- More managers who may act severally
- More managers who will act by joint signature of at least two of them
- A board composed of a minimum of 2 and a maximum of ... members

#### § 5 - Admission of a new member

##### Conditions

Natural or legal persons, companies or other legal bodies governed by public or private law, formed in accordance with the legislation of a state belonging to the EEA and satisfying the following conditions:

- they have to aim at promoting employment in Europe and / or they have to pursue social and environmental goals;
- they promote the **sector of recycle & re-use** and the **social agriculture sector** connected to food production or catering industry in order to develop slow food philosophy and social innovation initiatives;

may apply to join the grouping.

##### Admission procedure

Natural or legal persons, companies or other legal bodies that are interested in joining GO EASE –E.E.I.G. have to send an application to the manager(s). The application may be made by letter, fax or e-mail. It must contain a

detailed description of the person's or legal body's field of activity.

The manager(s) shall inform the members of the application.

In the event of a favourable decision of the members acting collectively, the new member has to produce its statutes, official evidence of establishment and registration (date, location, registration number) and other relevant information as required by the manager(s).

#### **Admission fee**

Membership is conditional on payment of an entry fee set by a decision taken by the members acting collectively at the time of joining.

#### **§ 6 Associate members**

Natural or legal persons, companies or other legal bodies governed by public or private law, having their central administration outside a member state of the EEA, may apply to join "GO EASE – E.E.I.G." as associate members if they satisfy the following conditions:

- they have to deal with employment and / or environmental issues, aiming at promoting sustainable development as defined by the Europe 2020 programme.
- they promote the sector of recycle & re-use and the social agriculture sector connected to food production or catering industry in order to develop slow food philosophy and social innovation initiatives;

Associate members may attend the meetings of the members acting collectively but are not entitled to vote. However, the decisions of the members acting collectively are binding also on the associate members of the grouping.

Associate members are not registered with the Business Register of the Chamber of Commerce. They are not liable with respect to third parties for the affairs of the grouping. However, associate members are liable to the grouping for what concerns the contractual commitments they may have taken to the grouping.

#### **§ 7 Expulsion of a member**

Any member may be expelled from the grouping on one of the grounds listed below:

- if the member or an associate of the member is charged with a perjury-, testimony-, property- or assets-offence or a crime;
- if an association has been joined that is a competitor of the EEIG or if it is at least likely that a competitor has been joined;
- if the member no longer complies with the conditions fixed in § 5 of this Internal Regulation;
- if the member has not met an obligation to pay to the EEIG within more than 3 months after dunning letter and respite;
- if the member fails to render the stipulated services to the EEIG.

A decision to exclude a member shall take effect immediately with adoption of the decision by the members acting collectively. However, the member excluded must pay its full annual subscription for the current year.

In the interest of the grouping the manager(s) may preliminary exclude the member concerned until the meeting of the members acting collectively.

#### **§ 8 Proxy**

At the meetings, the members may be represented by a proxy (authorised in written form).

If a member of the grouping is a legal person or other legal entity, it is assumed that a member of this legal person or other legal entity present at the meeting is entitled to vote on behalf of this legal person or other legal entity. That means that legitimization of this person does not have to be specifically checked. This, however, does not apply if the grouping was informed (together with proper legitimization) prior to the meeting that this person was not authorised to vote on behalf of the legal person or other legal entity.

#### **§ 9 Optional Organs**

##### **Technical committees**

The grouping shall have technical committees: the number of these committees depends on current

events. A technical committee is set up by the members acting collectively. The list of members who make up a technical committee is held at the central administration of the grouping. The work carried out by the technical committees forms the subject of reports. These are delivered to the manager and shall be submitted to the members acting collectively.

**Coordination secretariat**

The grouping shall have a coordination secretariat, based in \_\_\_\_\_

Role and tasks of the secretariat are:

- give assistance to the managers and supporting communication among members
- organizing and managing the grouping meetings, included convening activity and minutes
- keeping the Meeting Register
- .....

**Supervisory Board**

The grouping shall have a supervisory board composed by external experts, who are tasked for the audit of:

- financial position
- annual account
- management

*NOTES: The Board of Members can detail all functions assigned to the supervisory board and the timing for a correct collaboration. The supervisory board may support manager to assure "Right of discovery and inspection" to all members, through a transparent accounting system.*

**§ 9 Financing of EASE E.E.I.G. meetings**

Meetings of the grouping are financed entirely by its members.

Fixed costs for the meetings (for meeting room etc.) will be invoiced to all members, whether or not they attend the meeting.

Variable costs (for example meals, participation in social programme etc.) will be invoiced only to those members who take part in the meeting or who did not notify non-attendance by the deadline set by the team organizing the meeting.

In general, travel and accommodation will be paid directly by the member concerned, that will organize his/her own travel. However, the team responsible for organizing the meeting offers to reserve hotel rooms.

A provisional invoice covering the anticipated budget for a meeting will be issued in good time ahead of a meeting and must be paid in full before the meeting.

Following the meeting a detailed break-down of costs will be drawn up by the team responsible for organizing the meeting.

This Internal Regulation is annexed to the GO EASE E.E.I.G. contract.

Done at \_\_\_\_\_ (place), on \_\_\_\_\_ (date)

The founding members:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_