

Articles of Association

1. Name and location of the non-profit association

1.1. The name of the non-profit association (hereinafter the Association) is: GS1 Estonia MTÜ.

1.2. The Association is located in the Republic of Estonia, Harju county, Tallinn.

2. General provisions

2.1. The Association is a legal entity in private law established on the basis of voluntary membership and in the public interest and not for profit, which is guided in its activities by the laws and other legal acts of the Republic of Estonia, international agreements and these Articles of Association.

2.2. The Association is the only official representative of the international GS1 organization GS1 AISBL in the Republic of Estonia.

2.3. The financial year of the Association begins on January 1 and ends on December 31.

3. Purpose of the Association and general principles of its activities

3.1. The purpose of the association is to issue numbers in accordance with the standards of the international GS1 AISBL organization enabling the identification of goods, services and locations, to manage the relevant registries, introduction and promotion of development of GS1 system standards in Estonia.

3.2. To achieve its goals, the Association:

- issues unique numbers to users to identify products, assets, services and locations in accordance with the standards and rules established by the international GS1 AISBL organization;
- advises and trains on the applications of the GS1 System in various industrial, commercial and other sectors;
- cooperates with various interest groups, government agencies and local government bodies, as well as other interested parties in accordance with the purpose of its activities;
- co-operates with GS1 AISBL organization and GS1 organizations in other countries to promote and develop the GS1 System;
- uses its income received from membership fees for the intended purposes;
- coordinates and controls the use of the GS1 System in Estonia and manages registries of GS1 Numbers.

3.3. The main activity of the Association is not to receive income through economic activities.

3.4. The Association may perform all transactions and other legal acts that are directly or indirectly necessary to achieve its purpose.

3.5. The Association uses its income only to achieve the statutory goals of the Association and does not distribute profits among its members.

4. Conditions and procedure of membership enrolment and termination

4.1. Any legal entity either in private or public law who acknowledge and abide by the Articles of Association and wishes to develop activities in accordance with the objectives and purposes of the Association, may be a member.

4.2. The membership of the Association is divided into full members and associate members.

4.3. Manufacturers, retailers, wholesalers and other registered persons whose main activity is business and who wish to use GS1 System standards and who need GS1 Numbers may be full members of the Association. A full member of the Association has the right to participate at general meetings with voting rights and obligation to pay an annual membership fee.

4.4. Associate members of the Association may be legal entities who only need GTIN code for periodicals with ISSN numbers. An associate member does not have the right to vote at the general meeting or the obligation to pay an annual membership fee.

4.5. A legal entity is accepted as a member of the Association on the basis of a written application and after paying a one-time subscription fee and membership fee for the current year within five (5) working days. Enrolment shall be decided and approved by the Executive Director, in his/her absence a person authorized by the Executive Director.

4.6. Enrolment to membership of the Association may be refused if enrolment to membership is in conflict with the conditions provided by law or these Articles of Association. A copy of the decision to refuse to admit a member of the Association shall be sent to a legal entity who was not admitted to the Association membership within five (5) working days from the date of the decision. The decision must state the reasons for refusing membership. The decision to refuse enrolment to membership may be appealed to the general meeting within one (1) month as of the date of receipt of the decision.

4.7. A member has the right to resign from the Association at any time by notifying the Management Board in writing one (1) month in advance.

4.8. Membership in the Association or the exercise of membership rights cannot be transferred or bequeathed.

Membership in the Association terminates upon the death of a natural person who is a member or dissolution of a legal person who is a member. A legal person retains membership upon its transformation in the manner provided by law. Upon merger or division of a legal person who is a member, the rights of the person as a member terminate.

4.9. A member may be excluded from the Association if it:

- violates the Articles of Association of the Association;
- acts contrary to the objectives of the Association or significantly damages the name or reputation of the Association;
- does not pay the mandatory membership fee by the specified deadline.

4.10. The decision to exclude a member shall be made by the Management Board. A member excluded from the association shall be notified in writing of the decision and the reasons for it. The member may appeal against the decision and demand that exclusion be decided by the General Meeting. The decision of the General Meeting is final.

5. Rights and obligations of members

5.1. The rights and obligations of a full member are acquired by the legal entity after decision of enrolment to the Association has been made.

5.2. A full member of the Association has the right to:

- elect and be elected to the management and control bodies of the Association and to participate in other ways in the activities of the Association;
- participate at the General Meeting with the right to vote;
- receive information about the activities of the Association from the Management Board and other bodies;
- submit proposals to the governing bodies of the Association for discussion on issues concerning the activities of the Association. Questions submitted to the General Meeting are submitted through the Management Board;
- resign from the Association;
- suspend its membership in the Association up to one (1) year upon submitting a written application to the Management Board, but only once during the period of membership;
- exercise other rights and preferences provided by law.

5.3. Members of the Association are obliged to:

- comply with the Articles of Association of the Association and comply with the lawful decisions of the management and control bodies of the Association;
- pay the annual membership fee on time and in the prescribed amount, with the exception of associate member;
- use the assets of the Association prudently and economically and refrain from activities harmful to the Association;
- submit true information about themselves;
- notify the Management Board about their contact details and/or their changes in order to keep records of the members;
- immediately notify the Management Board should any re-structuring, merger or termination of a legal entity take place;
- fulfill the Membership Terms and Conditions.

6. Assignment of GS1 Numbers

6.1. The Association issues to a full member GS1 Numbers and/or a Global Company Prefix.

6.2. The detailed procedure for applying for GS1 Numbers and the conditions of use of the Numbers are specified in the Membership Terms and Conditions approved by the Management Board of the Association.

6.3. The Association registers the issued GS1 Numbers in the GS1 Estonia Registry, which is part of the international GS1 Registry.

6.4. Upon termination of membership, regardless of the reason, the member loses the right to use GS1 Numbers.

7. Management of the Association

The highest governing body of the Association is a general meeting of its members. The Management Board is elected to represent and manage the Association. The executive and organizing body of the Association is the executive director.

General meeting

7.1. The members of the Association carry out their rights at the general meeting.

7.2. A general meeting of the Association members must be called by the Management Board as necessary, but at least once a year not later than within six (6) months from the end of the financial year.

7.3. An extraordinary general meeting can be called by the Management Board at its own discretion or if required by the interests of the Association or if requested in writing and stating the reason by at least 1/10 of the members of the Association or if requested by the Auditor. If the Management Board does not call the general meeting under the circumstances specified in this section, the members who demanded the general meeting may call the general meeting themselves pursuant to the same procedure as the Management Board.

7.4. The Management Board announces about the calling of the general meeting by notifying all members of the Association in writing or in a form that can be reproduced in writing (by e-mail) at least ten (10) days in advance. The notice shall state the time, place and agenda of the general meeting.

7.5. The powers of the general meeting include the following:

- amending of the Articles of Association;
- appoint and removal of members of the Management Board;
- establishment of the procedure for remuneration of the members of the Management Board;
- appointment of an auditor;
- approval of annual reports;
- deciding to enter into a transaction with a member of the Management Board or another body prescribed by the Articles of Association, determining the terms of the transaction, deciding to hold a legal dispute and appointing a representative of the Association in such transaction or dispute;
- deciding on the dissolution, merger and division of the Association;
- appointment of persons entitled to the remaining property after the dissolution of the Association;
- deciding on other issues which have not been assigned to the competence of other bodies of the Association by law or the Articles of Association.

7.6. The general meeting has a quorum regardless of the number of full members represented at the general meeting, if all the requirements arising from law and these Articles of Association have been complied.

7.7. The general meeting is competent to adopt resolutions on issues that have been announced upon convening the general meeting. An issue which is initially not on the agenda of the general meeting may be included on the agenda, if all the full members of the Association participate in the general meeting.

7.8. A full member of the Association or its representative who has been granted a written power of attorney may participate and vote at the General Meeting. An associate member does not have the right to vote.

7.9. Each full member of the Association has one vote. A member shall not vote if release of the member from obligations or liabilities, conclusion of a transaction between the member and the Association, or conduct of a legal dispute with the member or appointment of a representative of the Association in such legal dispute or transaction, or issues related to the monitoring or evaluation of the activities of a member or representative thereof in the capacity of a member of the Management Board or other body, is being decided. The votes of such member shall not be taken into account in the determination of representation.

7.10. A member of the Association may vote for himself or herself upon election as a member of the Management Board, extension of the term of management and removal.

7.11. A resolution of the general meeting is adopted if over half of the full members of the Association or their representatives who participate at the general meeting vote in favor and these Articles of Association do not prescribe the requirement of a larger majority in deciding certain issues.

7.12. When electing the members of the Management Board and other persons, the candidate who received more votes than the others shall be deemed elected at the general meeting. In the event of a tie, a draw shall be made.

7.13. A resolution to amend the Articles of Association is adopted if more than 2/3 of the full members or their representatives who participated at the general meeting have voted in favor of it. An amendment to the Articles of Association enters into force as of entry in the register.

7.14. In order to change the objective of the Association, the consent of at least 9/10 of the full members of the Association is required. The consent of members who did not participate in the general meeting which decided on an amendment shall be submitted in writing.

7.15. The resolution of the general meeting is adopted without convening the meeting if all full members of the Association vote in favor of the resolution in writing.

7.16. The resolutions of the general meeting are obligatory for all members of the Association, including those who did not participate at the general meeting.

The Board

7.17. The Management Board is the governing body of the Association, which manages and represents the Association. The Management Board may decide on all issues that are not within the exclusive competence of the general meeting by law or the Articles of Association.

7.18. The minimum number of members of the Management Board is three (3) members and the maximum is five (5) members.

7.19. A member of the Management Board is elected by the general meeting for four (4) years.

7.20. The members of the Management Board elect the chairman and deputy chairman of the Management Board from among themselves.

7.21. A member of the Management Board must be a person with legal capacity.

7.22. Every member of the Management Board has the right to represent the Association in all legal proceedings.

7.23. When concluding transactions on behalf of the Association, the members of the Management Board are obliged to comply with the restrictions prescribed for them in the Articles of Association or established by the general meeting or the Management Board.

A member of the Management Board does not have the right to represent the Association in concluding transactions in which, pursuant to law, the appointment of a representative is decided by a separate general meeting.

7.24. Remuneration may be paid to members of a member of the Management Board for the performance of his or her duties. The amount of remuneration payable and the procedure for payment shall be determined by a resolution of the general meeting.

7.25. Board meetings are held as needed, but at least three times a year. An extraordinary meeting can be convened by the Chairman of the Management Board at the written request of 1/3 of the Board members within 10 days from the day following the submission of the request.

7.26. A meeting of the Management Board has a quorum if more than half of its members participate in the meeting. A majority of the votes of the members of the Management Board present at the meeting is required for adopting resolutions of the Management Board. In the event of a tie the vote of the Chairman of the Board is decisive, in his absence the vote of the deputy chairman.

7.27. The Management Board may adopt a resolution in writing without calling a meeting. In such a case, the Management Board must send the draft resolution in writing or electronically to all Board members, setting a term within the member of the Management Board must submit his or her written (electronic) opinion thereon. If a member of the Management Board does not state within that period whether he or she is in favor or against the resolution, he or she shall be deemed not to have voted. A resolution is adopted if more than half of the members of the management board vote in favor of it in writing. All Board members will immediately be notified in writing of the results.

7.28. A member of the Management Board may not participate in voting if it is decided to enter into a transaction with him or her or a person with an equal economic interest to him or her or to initiate or terminate legal proceedings with him or her by the Association.

7.29. The competence of the Management Board includes:

- convening the general meetings and submitting proposals for the agenda;
- organizing the keeping of records of members;
- deciding on the expulsion of members;
- establishing membership terms and conditions;
- arranging the accounting procedures of the Association and auditing agreements;
- submitting annual reports of the Association to the general meeting;
- preparation and approval of the annual budget;

- deciding the employment and resignation of the Executive Director of the Association;
- determining of subscription and membership fee rates;
- approval of the list of services provided by the Association and establishment of price lists;
- deciding on the transfer and encumbrance of immovables and movables to be entered in the register with real rights and determining the conditions for such transactions (establishment of the procedure for the use and disposal of property);
- determine the right of representation to participate in international meetings and to be appointed to the bodies of organizations related to the activities of the Association;
- resolving other issues concerning the activities of the Association, which do not fall within the exclusive competence of the general meeting.

Executive Director

7.30. The Executive Director of the Association is its executive and organizing person, who:

- carries out the operational management of the activities of the Association, ensures the fulfilment of the resolutions of the general meeting and the Management Board and the approved annual budget;
- prepares materials for board meetings and general meetings;
- decides on the admission of a member to the Association;
- administrates and disposes the fixed and current assets and other property of the Association, administrating powers for this can be restricted by a relevant resolution of the Management Board;
- engages staff for the Association and determines their remuneration;
- signs contracts, agreements, Power of Attorney and financial documents on behalf of the Association;
- bears personal responsibility for the financial condition and the activities of the Association, reporting his/her activities to the Management Board;
- makes other resolutions within the limits of his/her powers;
- in the absence of the Executive Director, he/she shall be substituted for by an employee of the Association nominated by him/her.

The inspection body of the Association

7.31. In order to control the activities of the Association, the general meeting grants the Management Board authority to appoint the auditor and conclude the relevant contracts.

7.32. The members of the Management Board and the Executive Director must allow the auditor to examine all documents necessary for the performance of the audit and to provide the necessary information.

The auditor has the right to inspect the Association's assets, current accounts and others accounting documents. The auditor prepares a report on the results of the audit, which is submitted to the general meeting.

8. Assets of the Association

8.1. In order to achieve the statutory goals and tasks, the Association has the right to own and acquire real estate and movable property necessary for the activities of the Association.

8.2. The assets and funds of the Association arise from:

- enrolment fees;
- the annual subscriptions from members;
- income from the services and activities of the Association;
- state and local government grants;
- donations from natural and legal persons;
- from other income that is not in conflict with the law and is necessary for the development of the activities of the Association.

8.3. The Association is liable for its proprietary obligations with its assets. The Association does not bear financial responsibility for the proprietary obligations of its members.

9. Dissolution of the Association

9.1. The association is dissolved:

- by a resolution of the general meeting;
- by court order at the request of an interested party (compulsory dissolution);
- by declaring the Association bankrupt or terminating the bankruptcy proceedings before the declaration of bankruptcy;
- if the number of members of the Association decreases below 10 (ten);
- on any other basis prescribed by law or the Articles of Association.

9.2. The resolution of the general meeting to dissolve the Association is adopted if more than 2/3 of the full members present or represented at the general meeting have voted for it.

9.3. Upon dissolution of the Association, its liquidation proceedings are held, unless otherwise provided by law. The liquidators terminate the activities of the Association, collect debts, sell assets, satisfy the claims of creditors and distribute the remaining assets after satisfaction of the claims of creditors among entitled persons appointed by the resolution of the general meeting.

9.4. After the completion of the liquidation, the liquidators shall submit a petition for deletion the Association from the register. The documents of the Association shall be deposited with one liquidator or archive.