

## INTERNAL REGULATION

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### 1. Purpose

This internal regulation serves as the working document regarding the detailed activities and procedures of the European Turbine Network association and is complementary and subsidiary to the Articles of Association.

The working language within the association is English.

### 2. Membership

Membership of the Grouping shall be open to more than one Subsidiary, Associate or Affiliate Organisation belonging to the same industrial group, provided that each Subsidiary, Associate or Affiliate Organisation has different interests in relation to each other Subsidiary, Associate or Affiliate Organisation of the same industrial group.

All members should support free and fair competition as a market policy and as a legal concept. They are not restricted through the membership of the Grouping from taking necessary actions in respect of their competitive position.

### 3. Joint Venture Rules

In the case that a Joint Venture would take place with a member organisation of the Association, the company or organisation that has an individual Board of Directors would need an individual membership. Two companies or organisations that signed a Joint Venture Agreement may also decide to hold two memberships of the Association despite having a unified Board of Directors.

### 4. Competition Compliance

ETN is an association that brings together the whole value chain (manufacturers, users and the R&D community) related to turbomachinery technology. It is not the purpose of ETN to deal with any commercial matters. However, this association does include competing member companies. Therefore it is important that ETN members are aware of the impact of competition law on activities and interactions within ETN.

**Competition laws prohibit agreements, understandings and practices which restrict competition between businesses.** Breaches of competition law can lead to severe penalties, including fines and imprisonment of individuals for participating in cartels (e.g. price-fixing, customer-sharing, bid-rigging), extensive fines on companies and consequent court action.

Competing members must therefore not discuss pricing policies or any matters which may impact on how companies compete with each other. If an attendee attempts to raise competitively sensitive issues, discussion on it must be stopped immediately and this fact must be recorded in the minutes. If the discussion continues, the meeting must be terminated, all other attendees must leave, and the incident reported to the ETN office and Board.

Any exchanges of competitively sensitive information of which members become aware should be raised to the ETN office and Board for further advice. This may result in legal advice being sought and ultimately the company's or companies' membership being terminated with immediate effect.

It is important to respect these rules and guidelines at all times, not only for the chairs of meetings but for all members of the Technical Committees, Project Groups as well as participants at all ETN events. Respecting these guidelines is to the benefit of all Members of ETN.

## **5. Representation**

Each Member should appoint a main contact representative for its organisation who should also attend any General Assembly meetings. If the appointed representative is unable to attend any General Assembly, he can nominate and send a deputy to replace him, provided always that the individual concerned is an employee of the Member.

Each Member shall have the right to withdraw or replace with immediate effect his main contact representative. If the representative resigns or leaves the Member organisation, he/she shall immediately cease to be the representative of such Member organisation. That Member shall then appoint a new representative.

## **6. Membership Payment Conditions**

The Membership fee shall be paid in a timely manner. Invoices which remain outstanding by 1 March of the membership year will be subjected to a 10% surcharge. Reminders of non-payment will be issued prior to this date which will require your immediate attention. Any invoices which remain outstanding beyond 1 March of the membership year will be passed into the hands of our appointed agency to commence legal proceedings. The Board may retain the right to remove the powers and benefits (vote at the General Assembly, access to ETN Newsletters/Members area of the website, etc.) to members that did not pay by 1 April of the membership year.

## **7. Board Composition**

The ETN Board shall preferably be composed of the following categories:

- 2 representatives from the utility/power generation industry;
- 2 representatives from the oil & gas industry;
- 2 representatives from service providers;
- 3 representatives from the R&D community or the academia;
- 1 representative from consultancies.

Either the President or the Vice President shall be a representative from the user industry as ETN is a user-driven organisation. Turbomachinery OEMs are not eligible for Board membership.

## **8. Election Process of the Board**

### **Nomination Process**

Before the nomination process, each Board member will confirm to the Managing Director and the President if he/she offers to serve another term.

Eight weeks prior to the General Assembly, the Managing Director shall invite European Members to submit candidacy for membership of the Board.

Nominations will be closed four weeks prior to the General Assembly. A short résumé for each candidate will be published on the ETN website at least one week before the General Assembly.

#### Election Process

To ensure continuity of ETN's interests, it is recommended to the General Assembly that approximately half of the Board members are re-elected.

In the event of a tie in votes for two or more candidates, a second poll will be carried out with only the tied candidates being considered. In the event of a further tie, the retiring president's vote shall be deemed decisive.

In case there are not enough elected representatives for the ETN Board, the Board shall meet and may choose to co-opt.

### **9. Project Board**

The Project Board members are appointed by the ETN Board and should comprise between five and seven members with a wide and complementing expertise in the field of turbomachinery. It shall meet at least two times per year. All Members have the right to be represented in the Project Board. The member composition shall be composed of the following categories:

- Minimum one representative from the power generation industry;
- Minimum one representative from the oil & gas industry;
- Minimum one representative from R&D community.

The Project Board will report to the Board and shall elect its own chairperson who must be a representative of Members of the association. Additional Project Board members shall be selected from interested parties from any category. Internal or external persons to ETN may be invited to attend meetings at the request of the Board to provide advice and assistance considered necessary. Minutes are to be kept of any meetings held and any financial expenses are to be in accordance with the budget allocation.

### **10. Emeritus Club**

The Emeritus Club consists of merited and recognised experts in the turbomachinery community that have reached a retirement age or have been offered a retirement package by their former employer. The application will be approved by the ETN Board and the Managing Director provided that it meets the criteria of the Emeritus Club's Rules of Participation.

### **11. Special Committees/ Working Groups**

The General Assembly can set-up Special Committees/Working Groups to consider relevant issues of importance to various Members. Each Committee will report to the General Assembly and shall elect its own chair, co-chair and secretary who are representatives of Members of the association. Minutes of any meetings held are to be taken and documented in the ETN office. Any financial expenses are to be in accordance with the budget allocation. Additional invited experts can take part with the approval of the chair or co-chair.

### **12. Research, Technology and Demonstration (RTD) Collaboration Contracts**

Any RTD contract and the participation in it will be entered into individually by each of the Members willing to participate therein and the regulation covering such contracts shall be determined in relation to the terms of the RTD contract itself and its associated Collaboration Agreement. Any management contract taken by ETN will not affect the rights of Members in respect of the specific RTD contract and Collaboration Agreement.

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