



Constitution of the Fair Rubber e.V.¹

§ 1 Name and Location

- (1) The Association is called "Fair Rubber", with the abbreviation "FReV" after being registered in the registry of associations with the addition of "e.V."
- (2) The registered head office is registered in Heidelberg.
- (3) The business year is the calendar year.

§ 2 Purpose of the Association

- (1) It is the aim of the Association to contribute to an improvement of the working- and living conditions of the primary producers of natural latex (rubber), by applying the principles of Fair Trade to the trade in products made from natural rubber. The Association in particular will fix a Fair Trade premium, which is to be paid by the buyers of the natural rubber to the primary producers (associations of rubber tappers, small rubber farmers, rubber plantations).
- (2) The Association enters into agreement with the producers, which specifies the amount to be paid as a Fair Trade premium, as well as the monitoring of its use. Similarly it enters into agreements with the buyers of the raw material, which obliges these to pay the Fair Trade premium and to provide all information necessary for monitoring purposes. The Association looks after the transfer of the Fair Trade payments, and monitors and reports on their usage.
- (3) The Association registers the Fair Rubber logo. This logo signifies to consumers of labelled goods that the primary producers have received a Fair Trade premium.
- (4) The Association ensures that the Fair Rubber Logo is used in combination with an established environmental standard; exceptions are only possible if specific reasons apply.
- (5) To achieve its aim the Association may employ other measures, as long as they contribute to an increase of Fair Trade with natural rubber products. These include in particular the provision of information for consumers, educational measures or public relations.

¹ "E.V. stands for 'eingetragener Verein' - i.e. a 'registered association' / Non Governmental Organization under German law; registration No. VR 3635, Heidelberg/Germany. In this translation, 'Association' is used for 'Verein'. This translation is for information only - the binding version is the German 'Satzung' ('constitution') as registered with the authorities, and signed by the founding members.

§ 3 Finances of the Association

- (1) In order to achieve its tasks, the Association will rely on membership fees, donations, other contributions and if necessary special levies.
- (2) The level of membership fees and other contributions is fixed by the Members' Assembly in a list of fees.
- (3) Under specific circumstances, the Association can, in order to promote the purpose of the Association, levy a special contribution from members with commercial interests (see & 4.1.; e.g. for one off purchases, legal and advice fees, marketing measures), which is to be agreed upon by the members with commercial interests with a simple majority. The special levy may only be fixed at a level necessary to match the expected requirements.
- (4) Should a member withdraw the Association or be expelled, he/she has no claim to a refund for fees, donations, or other contributions, which may already have been paid.

§ 4 Membership

- (1) The Association has two categories of members, who recognize the statutes and are willing to support the purpose of the Association.
 - (a) Members who have a commercial interest in trade with natural rubber;
 - (b) Members without a commercial interest in trade with natural rubber.
Furthermore, persons or legal entities can join the Association as supporting members without voting rights.
- (2) Applications by new members are decided upon by the board. The board informs the members within three working days in writing. The members can object to an acceptance in writing within 10 working days. If, following a discussion with the board, the objection is upheld, the application is put before the next Members' Assembly. An acceptance requires a simple majority of both categories of members. Applications are submitted by means of a form drawn up by the Association, which points out the purpose of the Association and the duties of members.
- (3) Membership ends - apart from death for natural persons or deletions from the relevant register for legal entities or the dissolution of the Association
 - (a) by withdrawal, which is only possible in writing to the board, with a period of no less than three months before the end of a business year;
 - (b) by being barred for non-payment, following a simple majority decision of the board, if the member is more than six months in arrears with payment of the membership fee, and has received a written reminder giving a deadline of two months, and has been reminded of the possible consequences of non-payment;
 - (c) by expulsion because of conduct which is likely to harm the reputation of the Association, which is decided upon by the board with a simple majority.

Conduct likely to harm the reputation of the Association includes in particular instances, if a member uses the Fair Rubber Logo on products, for which the Fair Trade premium fixed by the Association has not been paid.

As a rule, a member has to be informed by the board of the Association of a pending expulsion, giving a deadline by which the non-compliance has to be remedied, except in cases where the expulsion is justified without such a reminder. The expulsion will be decided by the board and explained to the member in question. The member may object against the expulsion in writing within one month after being informed. In this case the next Members' Assembly will decide on a confirmation or rejection of the expulsion. The expelled member may take part in this Members' Assembly while it discusses the expulsion. Apart from this all other rights of the member in question are on hold from the point in time when he/she has been informed of the expulsion. If no objection is received in time, or if the Members' Assembly confirms the expulsion, the loss of member's rights is final.

§ 5 Rights and Obligations of Members

- (1) The members receive information regarding agreements entered into with producer partners and logo users, as well as regarding the use of Fair Trade premiums paid (§ 2.2ff).
- (2) Members may not use their membership for advertising purposes, unless this is linked to one or more products of the member, which carry the Fair Rubber logo.
- (3) Members are obliged to comply with the statutes of the Constitution and to support the Purpose of the Association. They have to abstain in particular from anything which may undermine or water down the purpose of the Association (principles of Fair Trade, environmentally responsible procurement of natural rubber).

§ 6 Organs of the Association

- (1) The organs of the Association are the Members' Assembly and the board.

§ 7 Members' Assembly

- (1) The Members' Assembly is the highest organ of the Association and consists of its members.
- (2) The Members' Assembly takes place at least once a year. The board issues an invitation in writing, and at least one month in advance.
- (3) Should at least one third of all (supporting) members request it, an extraordinary Members' Assembly has to be called.
- (4) A regular Members' Assembly has a quorum, if at least one third of both member categories (see § 4.1.) are present.

Should the Members' Assembly not have a quorum, the board will re-issue an invitation for a Members' Assembly, at least one month in advance, which then has a quorum irrespective of the number of members present.

- (5) The Members' Assembly does not meet in public.
- (6) Decisions are taken, unless specified otherwise by law or the Constitution, with simple majorities of votes present, with a simple majority being required of both of the member categories (see & 4.1.). If a vote results in a tie, the motion is turned down. Abstentions are not counted.
- (7) Elections to the Board are taken by secret ballot.
- (8) Minutes are to be recorded for every Members' Assembly, and these have to be signed by the record taker and the chair of the meeting.
- (9) The Members' Assembly has the following duties:
 - (a) Exoneration and election of the Board;
 - (b) changes of the Constitution;
 - (c) acceptance of the budget;
 - (d) decision to close down the Association.

§ 8 Board

- (1) The Board consists at a minimum of a chairperson and a vice chairperson; possibly a treasurer and up to four additional board members. It has to consist in equal numbers of the two categories of members (see § 4.1.). If no treasurer has been elected, the vice chairperson is responsible for the supervision of finances. Only a member without commercial interests can become chairperson, while the vice chairperson should be a member with commercial interests (see § 4.1.). If an Executive Secretary is appointed, he is an ex officio member of the Board, but has no voting rights.
- (2) The Board is elected by the Members' Assembly for a period of two years. The members of the Board are elected individually.
- (3) Should a Board member retire during his/her period of service, the Board can nominate a successor for the remaining period for which the retiring member has been elected.
- (4) The Board is responsible for all affairs of the Association. The Board is obliged to manage the affairs of the Association and implement the decisions of the Members' Assembly.

The Board is in particular responsible for:

 - (a) managing the finances of the Association,
 - (b) preparation of the Members' Assembly,
 - (c) drawing up the annual and financial reports,
 - (d) monitoring the criteria, including the fixing of the Fair Trade premium for Fairly Traded natural rubber,
 - (e) public relations.
- (5) The Chairpersons represent the Association in and out of court. Each Chairperson has the right to represent the Association on his/her own.
- (6) The Board may delegate certain tasks.

- (7) Invitations to Board meetings are issued by the Chair or the Vice Chair. A Board meeting has to be called if at least two members of the Board demand a meeting.
- (8) Board meetings have to be called in writing with a notification period of at least six days.
- (9) The Board has a quorum if at least two elected Board members are present, at least one of whom has to be a Chairperson. Records of decisions have to be kept.
- (10) The Board decides on its own rules of procedure.
- (11) Members of the Board can claim travel and other expenses within a reasonable limit. Attendance fees may be paid within the limits of the budget.

§ 9 Executive

- (1) The Members' Assembly may appoint an Executive Secretary.
- (2) The Executive Secretary is a member of the Board in the legal sense, but has no voting rights.

§ 10 Changes to the Constitution

- (1) The Constitution can be changed by a Members' Assembly with a 2/3 majority of members present of both categories of members respectively (see § 4.1.).

§ 11 Dissolution of the Association

- (1) The dissolution of the Association requires a 4/5th majority. The dissolution can only be decided during a Members' Assembly, where the invitation has specified the proposition to dissolve as well as the members supporting the proposition. At the time of dissolution a decision is taken how to spend the remaining assets of the Association. Should it be impossible to reach an agreement, the assets are donated to the BUND.²

Heidelberg, August 7th, 2012

with changes approved by the Member's Assembly on 16.02.2013

² German Non Governmental Organization, part of the Friends of the Earth network.