

DIGITALEUROPE BY-LAWS

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PREAMBLE

DIGITALEUROPE, is an international non-profit association with a scientific and advocacy purpose organized pursuant to Belgian law;

These By-Laws supplement and complement the Statutes of DIGITALEUROPE and replace the by-laws of 2008;

As further specified in these By-Laws, in case of a conflict or their incompatibility with the Statutes, the Statutes shall always take precedence.

SECTION 1: SCOPE AND OBJECTIVES

1.1 Scope

- a. Digital Technology Industry. DIGITALEUROPE is the association for the European Digital Technology Industry, which includes inter alia the information technology, communications technology and the consumer electronics industry sectors (together the "Digital Technology Industry").
- b. Future Developments. Recognizing the changing boundaries of the Digital Technology Industry, DIGITALEUROPE may, at the appropriate time and subject to the procedures pursuant to Section 2.3, extend its activities into related Industry sectors.

1.2 Geographic Reach

Wider Europe. Given the increasingly global nature of the Digital Technology Industry, DIGITALEUROPE's activities, including consideration of membership, cover Europe in a geographic sense, including EU accession countries, EU accession candidate countries and non EU countries.

1.3 Principal Objectives and Activities

DIGITALEUROPE is dedicated to improving the business environment for the European Digital Technology Industry, and to promoting the industry's contribution to economic growth and social progress in the European Union. As the voice and principal advocate of the Digital Technology Industry in Europe, DIGITALEUROPE promotes the collective interests of the converging information technology,

communications technology and consumer electronics industries. DIGITALEUROPE seeks to participate in the development and implementation of EU policies by helping European governments and institutions to understand future technology trends and how digital technologies can contribute effectively to sustain economic performance in Europe. DIGITALEUROPE seeks to facilitate long-term business generation for the Digital Technology Industry in Europe by supporting the diffusion and usage of information technology, communications technology and consumer electronics.

To that effect, DIGITALEUROPE shall have the right to exercise, alone or in collaboration with third parties, directly or indirectly, all activities related, directly or indirectly, to its purpose. DIGITALEUROPE shall in particular develop the following activities:

- (i) initiate research for possible solutions of any problems of interest to the Digital Technology Industry in the widest possible sense, in particular those of a scientific, technical, documentary and institutional nature;
- (ii) issue, promote and contribute to statements and opinions on Digital Technology Industry issues to national, European and international governmental bodies and institutions;
- (iii) participate in the formulation, adoption and implementation of European public policy, legislation and regulation;
- (iv) advocate the interests and contribution of the European Digital Technology Industry with regard to competitiveness and growth in the European Union;
- (v) fulfill the function of representative and spokesperson of the European Digital Technology Industry vis-à-vis the institutions and governments of the European Union, the media, and other organisations and institutions where relevant.

DIGITALEUROPE's primary focus of activities is directed at the European Commission, the European Council and the European Parliament in Brussels and Strasbourg, and where relevant in pursuit of activities contained in Section 1.3 (i) to (v) above, the WTO, ITU, OECD, ETSI, CEPT and other European recognized standardization bodies, and other similar international organizations. Without prejudice to the foregoing, DIGITALEUROPE will otherwise not engage in any significant activities on specific policy issues without prior consultation of the Member

Association concerned in those countries in which any of its Member Associations is present and active concerning the issue in question.

Principles. In carrying out these objectives, DIGITALEUROPE will base itself on the principles of free enterprise, competition and fair trade in Europe and throughout the world and the promotion of fair and equal conditions for companies worldwide.

Implementation. When implementing these objectives through policy formation in Policy Groups, DIGITALEUROPE will seek consensus in accordance with the Consensus Rule set forth in Section 2.

Long-term Goal. The long-term goal of DIGITALEUROPE is to achieve the highest possible integration of the different interests of the ICT&CE Digital Technology Industry and its related fields.

SECTION 2: GOVERNING PRINCIPLES

2.1 Consensus Rule

DIGITALEUROPE and its Members shall apply the Consensus Rule.

DIGITALEUROPE Members shall undertake to resolve any divergences of opinion between themselves. If unanimity is not achievable then consensus or broad majority is an acceptable basis for DIGITALEUROPE agreement on a position, a statement or a course of action.

(a) Consensus is deemed to have been achieved in the absence of sustained opposition from over ten (10) per cent of the votes cast of the Members of the relevant Policy Group of DIGITALEUROPE. In cases where consensus is reached, the opposition to the position may be recorded for internal DIGITALEUROPE purposes, although it shall not be reflected in published outputs.

(b) A broad majority is an acceptable basis for a DIGITALEUROPE position, and is deemed to have been achieved in the absence of sustained opposition from more than one-third of the votes cast of the Members of the relevant Policy

Group of DIGITALEUROPE. In cases where broad majority but not consensus is reached, the opposing DIGITALEUROPE members shall have the right to have their reservations recorded. Such minority view shall be clearly noted in a published position or statement.

- (c) In cases where broad majority on a substantive position is not reached within a reasonable timeframe – i.e. in good time to influence the decision-making process of the institution(s) involved and in accordance with the legislative and/or political timeline for the matter being discussed – a document will be prepared by the Staff outlining the conflicting views expressed in the drafting process, and providing the business, technical and/or legal rationale for each view. The document will be approved by the Director General and the Policy Group Chairperson, and communicated externally in the usual manner.

Members undertake to only sustain opposition to consensus or broad majority view in situations where, in their view, their own highly important interest is threatened. The reason for their reservations must be stated, in a formal communication to the relevant Policy Group Chairman, with copy to the Director General.

2.2 Position of a subset of Members

Members that represent a subset of business interests within DIGITALEUROPE's membership may prepare and publish their own positions on issues which are only, or mainly, of concern to them, and they may do so in the name of DIGITALEUROPE. The pre-conditions for doing so are that such positions are not in conflict with general principles adhered to and defended by DIGITALEUROPE and that in case of potential areas of conflict with other DIGITALEUROPE represented business interests, those interests are given the timely opportunity to enter and to state a reason for a reservation as described above, and that when relevant, it is specified that these views are put forward mainly in the interest of one specific part of the industry. Such minority positions shall be submitted to the Director General for final approval.

Consistent with DIGITALEUROPE's objectives to serve the common global interests of the digital technology industry, the above rules are designed to enable meaningful, and not lowest common denominator, positions to be established.

2.3 Major Decisions

Major decisions, *i.e.*, decisions that raise issues of principle of the Digital Technology Industry shall, regardless of whether they originate from a policy group or other group of DIGITALEUROPE, always be taken by the General Assembly upon a proposal from the Executive Board.

2.4 Commitment of Members

Each Member Company and each Member Association shall be committed to pursuing the principal objectives and activities set forth in Article 3(a) of the Statutes (and further developed in Section 1.3 of these By-Laws). Furthermore, each Member Company and each Member Association shall (i) actively participate in Policy Groups and working groups and take on the associated tasks necessary in a member-led association, in order for DIGITALEUROPE to achieve meaningful credibility; and (ii) promote the agreed DIGITALEUROPE positions in their own countries and with their national governments and institutions.

SECTION 3: MEMBERSHIP

3.1 Members

In joining DIGITALEUROPE, Members undertake to pursue in their work for DIGITALEUROPE only the interests of the Digital Technology Industry even if their company or national association has a broader scope.

3.2 Conditions for Membership

(a) Associations. DIGITALEUROPE may accept as Members non-governmental, national associations representing the Digital Technology Industry (referred to in Article 1(b) of the Statutes) of a European country (within the meaning of Section 1.2 of these By-Laws) (“Member Associations”), subject to the following cumulative conditions:

- (i) a maximum of three national associations per European country shall be admitted. These associations should together cover the interests of the Digital Technology Industry at national level, and
- (ii) there are no reasonable grounds on the basis of which it can be assumed that the prospective Member Association(s) would not fully support the objectives of DIGITALEUROPE.

(b) Companies. DIGITALEUROPE may accept as Members companies belonging to the Digital Technology Industry (referred to in Article 1(b) of the Statutes) (“Member Companies”) provided that they meet the following criteria on a cumulative basis:

- (i) the company can be considered as being a significant player in the European Digital Technology Industry;
- (ii) the company has a center of operations in at least one of the European countries; and
- (iii) the company is providing added industry value and is engaged in Europe in one or more of the following Digital Technology Industry activities:
 - research & development;
 - manufacturing;
 - services and content; and
- (iv) the company is a member of at least one of the Member Associations of those European Countries where it has major operations as long as such Member Association remains an effective Member Association of DIGITALEUROPE; and
- (v) there are no reasonable grounds on the basis of which it can be assumed that the company would not fully support the principal objectives of DIGITALEUROPE.

3.3 Admission Procedure

(a) Application for New Membership. Associations and companies wishing to join DIGITALEUROPE shall file an application for membership with the Director

General. The application shall be made by using the application form developed by the Central Staff and shall be addressed via regular mail or via any other means of written communication (including e-mail). The application shall include a declaration by the applicant of commitment to and endorsement of, the principles and objectives of DIGITALEUROPE.

- (b) Granting of Membership.** The Executive Board shall decide on all applications after having heard the applicant. The decision of the Executive Board shall be taken according to the quorum and majority stipulated in Article 17 of the Statutes. The Executive Board shall inform the applicant of the decision and the reasons stated therein.
- (c) Rejection and Appeal.** The Executive Board's rejection of an application shall set forth the principal reasons for the decision, whereby such reasons shall be based on the conditions for membership pursuant to this Section 3. The applicant concerned shall have the right to appeal that decision with the dispute resolution committee pursuant to Article 10 (b) of the Statutes.

3.4 Termination of Membership

- (a) Withdrawal.** Any Member wishing to withdraw from DIGITALEUROPE shall give notice in writing to the President of its intention to withdraw at least one full financial year in advance. During this period, the membership status and the obligation to pay subscription fees shall remain unaffected.
- (b) Exclusion.** Any Member that does not comply with the Statutes, these By-Laws, or the rules and regulations issued pursuant to the Statutes or that no longer fulfils the membership conditions, can be excluded pursuant to the provisions set forth in Article 9 of the Statutes.

3.5 Events Affecting Membership Status

Any Member shall inform the Executive Board in writing and without undue delay of any change of control, merger or other similar significant change which has occurred within a Member Company or Member Association that may affect the Member's membership within DIGITALEUROPE in any way. If, in the opinion of the Executive Board, such event requires a change of the membership status, it shall discuss this

with the Member concerned and thereafter take the necessary decision, if any (which may include a withdrawal of the membership status), in compliance with the applicable provisions of the Statutes, By-Laws and other relevant rules and regulations.

3.6 Dispute Resolution

Any dispute arising out of or in connection with membership applications or any other membership issues, and unless it can be resolved by applying the preceding provisions of this Section 3, can be brought by either party before a committee to be appointed annually by the General Assembly pursuant to Section 9.6. This committee shall settle and resolve the issue in question definitively and finally and with binding force for all parties concerned

SECTION 4: GENERAL ASSEMBLY

4.1 Representation

- (a) Member Representative and Registration.** Each Member is represented in meetings of the General Assembly by one delegate (“Member Representative”). Each Member shall, upon admission as Member, nominate a Member Representative which may also be the delegate of another Member of the same constituency provided that such other Member has agreed to such representation and its delegate does not represent more than two Members. In addition, a Member can choose to nominate an alternate for its Member Representative. Both the Member Representative and the alternate, if any, can be changed by the Member at any time. Members shall notify to the Director General in writing (by fax, e-mail or letter) the names of the Member Representative and the alternate, if any, and any change of the Member Representative and/or alternate, if any, at least until one week prior to a meeting of the General Assembly.
- (b) Member Representative’s Attendance.** Subject to the prior written consent of the President, which consent shall not unreasonably be withheld, the Member Representative (or its alternate) may attend meetings of the General Assembly

together with one additional natural person. Such additional person does not have any voting rights.

- (c) **Member representing another Member.** Each Member shall have the right, via regular mail or via any other means of written communication (including e-mail), to be represented at the General Assembly by another Member of its constituency, as defined in Article 4. 3 (a) of these By-Laws, holding a proxy. No Member may hold more than one proxy. Members shall notify to the Director General in writing (by fax, e-mail or letter) the names of the Member holding a proxy, prior to the meeting of the General Assembly.

4.2 General Assembly Meetings

- (a) **Ordinary and Extraordinary Meetings.** The President of DIGITALEUROPE as chairman of the General Assembly or, in his/her absence, the Vice-President shall call an ordinary meeting of the General Assembly at least once a year. The President or, in his/her absence, the Vice-President shall call extraordinary meetings upon written request made to the Executive Board by Members representing at least 20% of the votes of all Members. Except for meetings pursuant to Article 29 (a) of the statutes, meetings shall be called by the President, or in his/her absence the Vice-President, with one month' prior written notice communicated via regular mail or via any other means of written communication (including e-mail) to every Member. The notice shall contain an agenda for the meeting and identify and specify with sufficient detail the matters on which votes shall be cast. An item has to be included on the agenda of the General Assembly on the request of Members representing at least 20% of the votes. Physical meetings shall be held at the seat of DIGITALEUROPE or such other venue as may be specified in the invitation. Written minutes of the General Assembly including all resolutions shall be taken by an Executive Board member to be assigned by the President and shall be sent to all Members without undue delay after each meeting. The resolutions shall be registered and filed by the Director General at the seat of DIGITALEUROPE.

- (b) **Meetings via written procedure.** In exceptional cases and when the urgency of the matter so requires, the General Assembly may make decisions by a written procedure. To that effect, the President or, in his/her absence, the Vice-President, shall send the proposed resolutions to all Members via regular mail or

via any other means of communication he/she deems fit (including e-mail). The proposed resolutions shall be accompanied by a memorandum prepared by the President, or in his/her absence, the Vice-President, setting forth the reasons which have lead to the use of the written procedure, as well as the context of the proposed resolutions. The proposed resolutions shall be deemed adopted if within ten working days after having been sent, the number of duly completed written communications returned to the President by the Members is sufficient to meet the quorum and voting requirements set forth in the present Statutes.

- (c) Meetings via video-conference, telephone conference and Instant Messaging services.** In exceptional cases and when the urgency of the matter so requires, the General Assembly may be held and decide by modern means of telecommunication that allow Members to directly hear each other and to directly speak to each other, such as telephone or video conference. In the same context, the General Assembly may also be held and decide by modern means of telecommunication that allow Members to directly converse in writing with each other, such as via Instant Messaging services.
- (d) Form and Place of Meetings.** General Assembly meetings can be held in physical form or by way of written procedure or via video-conference, telephone conference and Instant Messaging services as specified in Section 4.2(b) and (c). Physical meetings shall be held at the DIGITALEUROPE head office in Brussels, Belgium, or such other venue as may be decided by the President in consultation with the Executive Board.
- (e) Notice; Agenda.** Meetings are chaired by the President or, in his absence, the Vice-President. Meetings shall be called with one months', or in cases of meetings which have amendments of the Statutes or the dissolution of DIGITALEUROPE on their agenda, with two months' prior written notice to every Member. The notice shall contain an agenda for the meeting. In case of non-physical meetings, the notice also needs to comply with the requirements set forth in Section 4.2(b) and (c) above. An item has to be included on the agenda of the General Assembly on the request of Members representing at least 20% of the votes. At any meeting of a General Assembly, the Members shall not take any action with respect to any matter that has not been listed on the agenda.

- (f) Minutes.** Written minutes of the meetings of the General Assembly including all resolutions shall be prepared by an Executive Board Member designated by the President or, in his absence, the Vice-President at the beginning of each General Assembly meeting. Resolutions shall be signed or approved by e-mail response by the President, or in his absence, the Vice-President, sent to all Members for information, and registered and filed by the Director General at the seat of DIGITALEUROPE. The minutes (except for the resolutions) shall be circulated as draft minutes to all Members without undue delay after each meeting, signed by the minute-taker. The draft minutes can also be sent by fax or e-mail. The draft minutes shall be confirmed at the next General Assembly meeting with any agreed amendments, if any. The so confirmed minutes shall be signed or approved by e-mail response by the President or, in his absence, by the Vice-President and registered and filed by the Director General at the seat of DIGITALEUROPE.
- (g) Attendance by Guests.** The President may invite leading personalities from European or international bodies and representatives of other associations and organizations to attend and participate as guests in those specified discussions of the General Assembly for which they have been invited. They have no voting rights.

4.3 Voting

- (a) Voting by Constituency.** For voting purposes, DIGITALEUROPE consists of two constituencies, the constituency of "Member Associations" and the constituency of "Member Companies". Both constituencies are deemed to be of equal weight. All Members of DIGITALEUROPE vote in their respective constituencies. Member Companies shall each have one vote. Member Associations together or individually can have up to three votes per European Country as further specified in Article 5(d) of the Statutes.
- (b) Proxy.** If a Member Representative cannot attend a meeting and does not want to appoint its alternate, the Member can give a proxy to another Member in accordance with Section 4.1(c) of these By-Laws. At the opening of the General Assembly, any notifications of a change of representation or proxies shall be made to the President who will immediately communicate them to the General Assembly.

- (c) Voting Mechanisms.** Voting shall be done by show of hands unless otherwise decided at the meeting of the General Assembly.
- (d) Quorum.** Unless otherwise provided by the Statutes, the General Assembly can only take decisions if more than one half of the Member Associations and more than one half of the Member Companies are present or represented at a meeting (as stated in Article 13(a) of the Statutes). If this condition is not met at a meeting, the President shall call another meeting in accordance with the provisions of Section 4.2, with the same agenda within the following three months, which meeting shall constitute a quorum regardless of the number of Members present or represented, provided, however, that this has been clearly so stated in the convocation of this second meeting.
- (e) Majority.** Unless otherwise provided by the Statutes or further specified in these By-Laws in section 5.1 (b) as far as elections to the Executive Board are concerned, for all decisions of the General Assembly a majority of three quarters of the votes of the Member Associations present or represented and three quarters of the votes of the Member Companies present or represented is required. Blank votes, invalid votes and abstentions shall not be counted.

4.4 Powers and Delegation

The General Assembly has the powers (including the right to delegate) set forth in Article 11 of the Statutes.

4.5 Amendments to the Statutes, Dissolution

- (a) Amendments; Dissolution.** Decisions to amend the Statutes and/or to dissolve DIGITALEUROPE must receive a majority of three quarters of the votes of the Member Associations present or represented and a majority of three quarters of the votes of the Member Companies present or represented, while for these purposes, the General Assembly shall not be deemed to be properly convened unless three quarters of the Member Associations and three quarters of the Member Companies, respectively, are present or represented at the meeting. The notice for such meeting must be sent to each Member two months in advance and, in cases of an amendment being part of the agenda, shall contain the proposed amendment. If the quorum is not met the provisions in Section 4.3 (d), 2nd sentence shall apply.

- (b) Liquidation.** In the event of a decision to dissolve DIGITALEUROPE, the General Assembly shall decide on the method of liquidation of DIGITALEUROPE and the destination of DIGITALEUROPE's funds pursuant to the same quorum and majority requirements as are set forth in subsection (a). DIGITALEUROPE's funds shall be allocated to a disinterested purpose.

SECTION 5: EXECUTIVE BOARD

5.1 Executive Board members

- (a) Composition.** The Executive Board shall be composed of a minimum of 12 but not more than 20 individuals, including the President and the Vice-President ("Executive Board members"). Unless specifically otherwise provided herein, the terms and conditions applying to the other Executive Board members shall also apply to the President and the Vice-President.
- (b) Elections.** The Executive Board members, including the President and the Vice-President, shall be elected by the General Assembly as follows:
- (i) Each of the constituency of the Member Associations and the constituency of the Member Companies shall propose a list with at least six (but preferably more) candidates for the Executive Board. The list of the Member Associations candidates shall include no more than one candidate per country, even if in a respective country more than one Association is a Member of DIGITALEUROPE. In the event that more than one Member Association in a country wishes to put forward a candidate, the Member Associations of that respective country shall decide among themselves which candidate they put forward. Each list shall include at least one candidate for the office of President and Vice-President.
 - (ii) Each constituency shall deposit its list of candidates with the Director General no later than one week prior to the date of the meeting of the General Assembly.
 - (iii) The General Assembly shall elect, in a first round of elections and subject to subsection (iv) below, from the two lists proposed by the two

constituencies the same number of members for the Executive Board. Up to ten candidates from both constituencies receiving the highest number of votes are elected. In case there are not enough candidates proposed on a list or the lists submitted or that as a result of the first round of elections the new Executive Board does not consist of at least 12 members, and of an equal amount of members of both constituencies, the General Assembly shall elect directly from among DIGITALEUROPE's Members as many individuals as are needed to have an Executive Board consisting of an equal amount of a minimum of 6 members of both constituencies but not more than 20 members in total. The election of the Executive Board can only be closed if and when at least 12 positions of the Executive Board have been filled. The chairman of the General Assembly meeting shall determine any additional rules and procedures pursuant to which such additional Executive Board members are to be elected.

(iv) The President and Vice President shall only be elected from among the candidates specifically listed for these offices. Their election shall only be valid if each of them belongs to a different constituency.

(c) Term. The initial term of an Executive Board member shall be two years. Thereafter an Executive Board Member can be re-elected consecutively for an additional two-year mandate. Upon completion of the two terms, there shall be a two-year grace period before an Executive Board member can be re-elected. However, the General Assembly can dismiss the members of the Executive Board at any time.

5.2 Provisional Board members

If an Executive Board member ceases to be a member during his/her term, for whatever reason, he/she shall be replaced as set forth herein. The Member Company or Member Association whose appointee the Executive Board Member was, shall propose for approval by the remaining Executive Board another individual as replacement. Failing such approval, the Member Company or Member Association shall propose further individuals until Executive Board approval for the proposed replacement is obtained. Such approved replacement shall act as provisional Executive Board member until the next Executive Board election.

5.3 Meetings

- (a) Frequency of meetings.** The Executive Board shall meet at least four times a year upon convocation of the President or, in his/her absence, the Vice-President.
- (b) Convocation of meetings.** The Executive Board Members shall be duly notified of a meeting by way of written notice. The notice shall contain an agenda for the meeting and identify and specify with sufficient detail the matters for which a vote will be required. The notice shall also specify the time and in case of a physical meeting, the place of the meeting, and in case that a meeting shall be held by way of electronic communication, the type of electronic communication for such meeting. A written notice for a meeting can be sent by mail, telefax or e-mail provided that the sender requests electronic confirmation of receipt and reading of message. The notice shall be deemed to have been received by the recipients two working days after posting of the letter, upon electronic confirmation that the telefax was sent successfully to its destination or, respectively, upon receipt of the electronic message that the e-mail was received and read. The notice shall be sent four weeks prior to the date of the meeting. Provided that all Executive Board Members agree, they can waive for a particular meeting compliance with the notice requirements.
- (c) Form of meetings.** Meetings of the Executive Board can be held in physical form, and in special cases through video-conference, telephone conference, Instant Messaging, e-mail ("electronic meetings") provided that the form of the meeting is so announced in the written notice calling for the meeting and provided further that the decisions to be voted on by electronic means are specified with sufficient detail. The members of the Executive Board shall agree in a special resolution on the preferred form or forms of meetings provided that all members agree and provided further that electronic meetings remain the exception for cases such as urgency or because it is important for serving the interests of the Association. The resolution can specify different forms of meetings depending on the type of meeting. Failing such agreement, meetings shall be held in physical form.
- (d) Attendance at meetings.** In case an Executive Board member is unable to participate in a meeting, he can nominate and be represented by another

Executive Board Member of the same constituency provided, however, that no Executive Board member can represent more than one other Executive Board member. Representation by another Executive Board member is only valid, if it is notified to the Director General at least two hours prior to the time of the meeting.

- (e) **Proceedings at meetings.** In their proceedings, including voting, the Executive Board members shall irrespective of their personal affiliation or employment, always act for and on behalf of the constituency that proposed them.

5.4 Voting

- (a) **Quorum.** The Executive Board is properly convened if at least half of the Executive Board members of the Member Companies and of the Member Associations, respectively, are present or properly represented. If these conditions are not met, the President or, in his absence, the Vice-President, or if none of these has been present, any other Executive Board member, shall call, with the same agenda, a further Executive Board meeting with seven days' prior written notice or such shorter period as may be necessary in case of emergency but in any case no period shorter than three days.
- (b) **Consensus or Voting.** The first priority is to reach decisions by consensus. If there is no consensus, the President or, in his absence, the Vice-President may decide either to postpone the decision or, in particular if time sensitive matters are concerned, to have the Executive Board vote on the matter. In case of voting, each Executive Board member shall have one vote. A majority of two thirds of the votes of the Executive Board members present or represented is required for the taking of decisions.

5.5 Powers

The powers of the Executive Board are those set forth in Article 15(a) of the Statutes.

SECTION 6: PRESIDENT, VICE-PRESIDENT

6.1 Functions and Powers of the President and Vice-President

The functions and powers (including the right of delegation) of the President and Vice-President are those set forth in Article 19 of the Statutes.

6.2 Term

The terms for President and Vice-President shall be the same as for all other Executive Board Members (Section 5.1(c)).

SECTION 7: DIRECTOR GENERAL AND CENTRAL STAFF

7.1 Proposal for Director General

The Executive Board shall propose to the General Assembly a suitable candidate as Director General who, based on his/her/its qualifications, is most likely, in the overall opinion of the Executive Board, to fulfill satisfactorily the functions set forth herein.

7.2 Functions

(a) Strategy. The Director General oversees all the activities of DIGITALEUROPE. He/she/it is responsible for all aspects of external communications and lobbying and for the execution of policies determined by the Executive Board, and as approved by the General Assembly. He/she/it shall ensure the strict coherence of DIGITALEUROPE positions and compliance with the rules as defined in the Statutes, and By-Laws and resolutions and decisions of DIGITALEUROPE. He/she/it shall have an essential coordinating role between the Executive Board, the Members, the policy groups and working groups.

(b) Other Functions. The functions of the Director General are those set forth in Article 22(c) of the Statutes as further specified from time to time by the Executive Board.

7.3 Coordination with the President

The Director General shall report regularly to the President on the execution of his/her/its tasks and duties. Decisions which may affect the future of DIGITALEUROPE shall be implemented by the President on behalf of the Executive Board. Explanatory letters and notes concerning such decisions will be drawn up, jointly signed by the President and the Director General, and distributed to the Members and other interested parties.

7.4 Central Staff

Under the leadership of the Director General, the Central Staff will be responsible for the day-to-day administration of DIGITALEUROPE and conduct of its activities. The

Central Staff shall provide assistance to the Director General in the performance of his/her/its tasks and duties as outlined in the Statutes and these By-Laws. The Director General will be assisted by a team of professionals who manage the activities of each policy group and working group in close consultation with the respective chairman and/or issue managers. Under the direction of the Director General, the Central Staff shall also assist in all aspects of lobbying of the EU institutions. In this, they shall be supported by DIGITALEUROPE Members. The Central Staff should have in-house expertise about the Digital Technology Industry in order to increase the efficiency of its lobbying actions and provide technical support to the membership, as required.

7.5 Other Personnel; Central Staff

Within the financial limits of that portion of the budget that is allocated to the Central Staff, the employment of personnel and the management of all personnel matters is part of the Director General's duties as outlined herein. The Director General shall have the right each year to propose the amount he/she/it requires to ensure the proper functioning of the Central Staff and to request that such amount be reserved for that purpose.

SECTION 8: MEMBERSHIP FEE SYSTEM

8.1 Annual Subscription Fee

(a) Adoption of Fee. Based on the budget required to cover all likely expenditures of DIGITALEUROPE and to constitute a reasonable reserve, the Executive Board shall, before November 1 of each year, propose an annual subscription fee to be applied to each Member. The proposal for as well as the basis of its calculation shall be decided by the General Assembly. If the General Assembly cannot agree on the subscription fee for a given year, the subscription fee of the previous year continues to apply.

(b) Determination of Fee. At each ordinary meeting of the General Assembly, the Executive Board shall propose the fees applicable to each Member. In its proposal the Executive Board shall take into account a fair share of means among the Member Companies and among the Member Associations and shall put forward the grounds on which its proposal is based.

(c) Extraordinary Fees. Extraordinary expenses for special activities are subject to prior approval by the Executive Board and should be shared among DIGITALEUROPE Members. In specific cases and upon request by the Executive Board they shall be borne directly by the Member Associations and/or Member Companies interested. This includes costs for DIGITALEUROPE meetings of any nature, including General Assembly or policy groups and/or working groups meetings, that unlike normal meetings do not take place at the DIGITALEUROPE Head Office in Brussels, but are hosted outside the DIGITALEUROPE Head Office. In that case costs shall be borne by the hosting Member Association or Member Company.

8.2 Payment of Subscription Fee

(a) Payment Due. Within four weeks after the beginning of the financial year, the Director General shall send an invoice to every Member, showing the amount due, which shall be payable within the period specified therein.

(b) Failure to Pay. The failure of any Member, after having been reminded in writing three times over a minimum time period of three months in total by the Director General, to pay the subscription fee shall entitle DIGITALEUROPE to initiate the exclusion procedure pursuant to Section 3.4(b), provided that this has been clearly stated in the third and last reminder.

8.3 End of Membership

A Member who ceases to be a member of DIGITALEUROPE through resignation, exclusion or any other cause shall have no claim to DIGITALEUROPE's funds; such Member shall remain liable for the subscription fee of the current financial year, subject to the requirements of Section 3.4(a).

SECTION 9: POLICY GROUPS AND WORKING GROUPS

9.1 Policy groups and working groups

The Executive Board may set up policy groups and initiate working groups in accordance with the principles set forth herein. The annex hereto sets forth principles governing the management of issues and development of position papers by policy groups and working groups. Further details may be agreed by the Executive Board if and when a particular policy group or working group is to be set up.

9.2 Policy Groups

- (a) Role of Policy groups.** The role of policy groups is, each within their designated scope of activity, to use their expertise to look into the future, to make proposals for new areas of necessary work, to make proposals for related strategies and policies to be proposed to the Executive Board and then to the General Assembly for approval, and to formulate DIGITALEUROPE positions. Whenever such work necessitates work across policy groups' boundaries, policy groups themselves should initiate co-operation. Further, whenever such work desirably can be done in co-operation with other European associations, the policy groups should request that the Director General contact the secretary generals/directors of those other European associations, with a view to the nomination of proper contact persons from each. In order to minimize the need for permanent sub groups, policy groups will consider, on an on-going basis, the possibilities to:
- (i) nominate and task "permanent" issue managers from amongst their membership to follow particular issues, to alert the wider DIGITALEUROPE community about significant developments, and to propose DIGITALEUROPE positions for discussion and approval;
 - (ii) set up small temporary internal working groups (or joint working groups with other working parties and/or, with other European associations) to deal quickly with a temporary issue.
- (b) Structure of Policy groups.** Policy groups shall be organized around specific areas of interest such that there is no or only a minimum of overlap but that the total area-of-interest related to the Digital Technology Industry is nonetheless fully covered. The number of policy groups should be kept small and company/association participation shall be limited to their respective employees.
- (c) Chairman.** Policy groups shall propose a chairman, and two vice chairs to act in the former's absence, for a period of two years. Such candidates shall be employees of a Member and must not be consultants. Reelection is possible only under very specific conditions and then for only one further term. The vice chairs of a policy group will be regarded as its potential chairman designate. Appointments of the persons proposed by the policy groups for the office of chairman and vice chairs will be made by the Executive Board who shall have regard to qualifications and experience, to the possibility of spending time and

effort on the task, and to a fair and equitable distribution of responsibilities, over time, between Members, in that order of priority.

(d) Function of Chairman. Each chairman shall manage and control the activities of its policy group in accordance with decisions made by the DIGITALEUROPE decision-making bodies. The chairman shall in particular:

- (i) put together an annual work plan and define objectives;
- (ii) watch out for new technical or policy developments in the respective area;
- (iii) set up permanent, temporary and/or joint working groups and seek for the designation of issue managers;
- (iv) track the progress of the work within the issue groups in relation to the work plan;
- (v) make proposals for new areas of work and related issues;
- (vi) make proposals for related strategies and policies in respect of areas to be proposed to the Executive Board;
- (vii) report back to the Executive Board on the achievement of the objectives;
- (viii) prepare and formulate DIGITALEUROPE positions to be approved by the DIGITALEUROPE decision-making bodies; and
- (ix) communicate and follow-up positions in cooperation with the Central Staff..

9.3 Working groups and Issue Managers

Working groups are created and issue managers are nominated and tasked pursuant to Section 9.2(a) to deal with specific topics or in special cases when topics are of concern to more than one policy group and/or which involve more European associations than DIGITALEUROPE. Working groups may be created and issue managers may be nominated and tasked internally in policy groups and/or across policy groups and even across European associations according to the work assigned. The duration of the groups is temporary, in accordance with the lifetime of the issue. Policy groups or the Executive Board can also establish “project groups” and “task forces” to efficiently deal with matters of special character.

9.4 Delegations to Policy groups and Working groups

All DIGITALEUROPE Members may send delegations to the policy groups and working groups. If a delegation comprises more than one person, they have to nominate a delegation leader. The delegation sent to policy groups shall consist in one Permanent Representative and one Alternate. Company representatives belonging to a Member Association's delegation shall represent the position of that Member Association. For the sake of manageability of working groups, issue managers may decide to form strategy groups comprising only the delegation leaders within the working groups.

9.5 Advisory Policy Groups

The Executive Board may establish, on terms to be decided by the Executive Board, advisory policy groups to support DIGITALEUROPE in its various activities and its strategy building process. Members of these policy groups must be very high level persons which can bring outstanding value to DIGITALEUROPE. Such advisory policy groups shall be appointed ad hoc if and when deemed necessary by the Executive Board. The advisory policy groups shall primarily consist of individuals belonging to Members of DIGITALEUROPE but if deemed necessary for the objectives to be achieved, the Executive Board may also invite individuals not belonging to an DIGITALEUROPE Member.

9.6 Dispute Resolution Committee

The Executive Board shall propose to the General Assembly the election and appointment of a dispute resolution committee for each year. The dispute resolution committee shall consist of six members not represented in the Executive Board, three of each constituency, elected or if there is no change of membership proposed, confirmed by the General Assembly every year for a period of one year. The first dispute resolution committee shall develop and propose a set of procedural rules to be attached to these By-Laws.

SECTION 10: EXTERNAL COMMUNICATION AND CONFIDENTIALITY

10.1 External Communication

DIGITALEUROPE shall make the utmost efforts to have coherent external communication (i.e., communication to the public, to public authorities, policy bodies

and the press) in line with its management of issues and position papers. Unless otherwise provided for in these By-Laws the Director General is responsible for and shall coordinate all external communication.

10.2 Confidentiality

DIGITALEUROPE Members shall be obliged to observe and respect the confidentiality of all internal data, information and communications which may come to their knowledge as a result of their DIGITALEUROPE membership and related activities. In particular, each Member hereby covenants that it will at all times both during and for a period of two years following termination (for whatever reason) of their membership in DIGITALEUROPE:

- (i) keep private and confidential;
- (ii) not disclose or pass on to any third party; and
- (iii) not use (whether for its own purpose or benefit of that of any third party) any confidential information of DIGITALEUROPE or another Member save as expressly permitted by DIGITALEUROPE or such Member, and/or save to the extent that such information:
 - is in or enters the public domain other than through a breach by it of any provision of the Statutes or these By-Laws; or
 - is disclosed strictly as required by law.

SECTION 11: GENERAL PROVISIONS

11.1 Notices

(a) Notices to DIGITALEUROPE. Notices to DIGITALEUROPE, the President or Vice-President, the Executive Board, the Director General or to any policy group or working group shall be made in writing (i.e., by fax, e-mail, or letter) to the address of DIGITALEUROPE as set forth in the Statutes under Article 2(b) as DIGITALEUROPE's address.

Tel: + 32 2 609 53 10

Fax: +32 2 609 53 39

E-mail: info@DIGITALEUROPE.org

(b) Receipt of Notices. Any written notice or other communication to be given or made pursuant to the Statutes, By-Laws, Internal Rules of Procedure or resolutions of the General Assembly or Executive Board, shall be effective upon receipt which shall be deemed to have occurred, if delivered by hand at the time of delivery, if sent by confirmed facsimile transmission at the time of dispatch, if sent by e-mail upon receipt of an automatic notification of receipt or receipt of a confirming return e-mail, if sent by regular mail two working days after posting, and if sent by registered mail five working days after posting.

11.2 Language

In general and except if requested otherwise by law, correspondence, the agenda of meetings, working documents and minutes will be in English. Except for special cases, DIGITALEUROPE is not obliged to supply translations of documents received from outside sources.

11.3 DIGITALEUROPE's Financial Accounts and Budget

(a) Financial Accounts. DIGITALEUROPE shall maintain complete and accurate financial accounts as required by law and pursuant to any decisions, guidelines or other recommendations of the Executive Board. The financial accounts shall be kept by the Director General in accordance with such accounting principles as shall be determined from time to time by the Executive Board, consistently applied. At the end of each financial year, the financial accounts shall be examined, at the expense of DIGITALEUROPE, by an independent public auditor of recognized international standing as may be selected by the General Assembly and shall be submitted to the General Assembly by the Executive Board within the first six months of the following financial year.

(b) Budget. Before November 1 of each year, the Executive Board shall prepare the budget for the following year and submit to the General Assembly for approval. If no new budget is approved by the General Assembly, the previous budget shall be applied to the following year.

11.4 Financial Year

The financial year shall commence on 1st January and shall end on 31st December of each year.

11.5 Defined Terms

Capitalized Terms used but not defined herein have the meaning ascribed to them in the Statutes.

11.6 Conflict with Statutes

If any provision of these By-Laws is in conflict with any of the provisions of the Statutes or if an issue of incompatibility between the By-Laws and the Statutes or a question of interpretation of the By-Laws is raised, the provisions of the Statutes shall prevail and the Members shall immediately procure that the By-Laws are changed to comply with the provisions of the Statutes in order to permit DIGITALEUROPE and its affairs to be administered as provided in the Statutes.

11.7 Amendments to By-Laws

These By-Laws can be amended at any time upon proposal by the Executive Board and confirming vote of the General Assembly (i.e., by a simple majority of the votes of the Member Associations present or represented and a simple majority of the votes of the Member Companies present or represented).

11.8 Severability

If any provision of these By-Laws is determined to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable and shall be given effect without the invalid provision, and to this end the provisions of these By-Laws are intended to be and shall be deemed severable.

11.9 Effective Date

These By-Laws as modified by the General Assembly on 28 May 2009, shall become effective on the date the corresponding modifications to the Statutes decided on the same date become effective.

ANNEX

to the By-Laws of DIGITALEUROPE

Managing Issues and Adoption of Initial Positions

DIGITALEUROPE fulfills its mission by the delivery of position papers, lobbying campaigns and via other communications and events appropriate to the issue in hand. These will be prepared in a timely fashion to meet external deadlines, whilst maintaining the endorsement and active support of the Members.

Policy groups and working groups are charged with the selection and day to day management of issues. Chairmen and the Issue Coordinators, with the involvement and support of the Central Staff, are jointly responsible for the smooth functioning of the issue management, approval and communications process. In addition, issue coordinators and the Central Staff are responsible for keeping the Members aware of ongoing work programmes and ensuring that all Members are invited to participate in good time. This early warning is vital to prevent last minute attempts to change position papers, which will be discouraged where the Member has failed to become involved.

Issue selection

Each policy group should review and select issues according to the following criteria:

- issues should be of particular interest to a minimum of five Members
- results obtained by assessing the relevant issue through the application of the “Work Management Tool”
- they should be consistent with DIGITALEUROPE’s mission statement
- the financial impact of success should be significant
- the chance of DIGITALEUROPE influencing the outcome should be reasonable
- the necessary commitment from Members and staff should be available.

The issue selection will be made on the basis of a draft issue sheet, prepared by the DIGITALEUROPE member that suggests DIGITALEUROPE deals with the issue. The standard issue sheet form will be used for this purpose.

These guidelines are designed to allow maximum effort to be applied to the most significant issues.

Issue management and approval

Policy groups/working groups will appoint an issue manager drawn from the working group, develop a work programme with a timetable for action and measurables for success. They will meet regularly, exchange e-mails and hold conference calls, as appropriate. The intention is to allow as much flexibility as possible in members' ability to develop positions, as well as encouraging a rapid process.

When an external communication is deemed necessary, the issue manager will develop a "Discussion Paper" or a draft Position Paper for circulation to the members of the Working group. This should be in preliminary, outline or bullet format; should cover the nature of the issue, the intended audience, the suggested message(s) and the timing required; should be intended to inform and to generate wide response; and should not be over-worked or, in any sense finished. Comments by the members should be addressed in writing to the issue manager.

At meetings of the working group the issue manager will present the paper and the comments received. The group will draft a Position Paper based on the draft and the comments, repeating the process until consensus or a paper acceptable to the working group is achieved (see consensus rules below).

The Draft Position Paper is then circulated to the working group members for final approval; members have the opportunity to add final remarks in written submission, within a limited period of time.

The issue manager and the responsible Central Staff member, in agreement with the policy group Chairman, taking into account the latest comments, draw up a Final Position Paper.

The responsible policy group will adopt the final paper and the responsible Central Staff member will circulate it together with the communications plan, including distribution list, press list and follow up actions, to the policy group members and to all DIGITALEUROPE Members.

If neither unanimity nor consensus can be achieved, the Draft Position Paper is referred to the Executive Board for final decision, in strict application of these By-Laws, in particular Section 2 thereof.

Papers may be released over the signature of the policy group chairman, President or Director General depending on the issue. It is to be noted that a position paper is considered to be only one part of an issue plan.

Confidentiality

Until approved for release, positions in development are not expected to be shared outside the membership unless there is general agreement that to do so will support the issue's likelihood of success.

Communications Plan and Implementation

Position Papers must include:

- standard language describing DIGITALEUROPE
- an executive summary if over three pages
- a “sound bite” for ease of describing the objective
- clear recommendations for action.

One policy group member, normally the issue manager or chairman, will be nominated as point person for follow up.

Actions and events should be monitored and measurement criteria recorded to provide performance indicators for DIGITALEUROPE.