



Eurosmart - Rulebook

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Foreword

This Rulebook is drawn up by the Board according to Article 9 of Eurosmart by-laws as adopted in January 2020. The purpose of the Rulebook is to complete the by-laws of the Association. It aims at clarifying the internal rules and defining the responsibilities and processes within the Association.

Guiding principles

Eurosmart is as a non-for-profit association governed by Belgium law. Eurosmart acts as a business organisation led by voluntary consensus principles in accordance with the following attributes:

- **Openness** – the procedures or processes used for creation, revision, reaffirmation, and withdrawal of Eurosmart’s technical documents are transparent and open to all the members. Eurosmart’s members are provided meaningful opportunities to participate in the definition of the technical documents on a non-discriminatory basis.
- **Balance and Lack of Dominance** – Eurosmart’s decision making process and the development of deliverables should be balanced; there should be meaningful involvement from a broad range of parties, with no single interest dominating the decision-making.
- **Due Process** – due process shall include procedures, adequate notice of meetings and documentation development, a defined adequate period to review drafts and prepare views and objections, access to views and objections of other participants, within the limits imposed by the confidentiality of information (art. 7 of Eurosmart’s bylaws) and the strict respect of the antitrust compliance guidelines (Annex II). For non-technical documents and in the perspective of swift and efficient communication, the Board is empowered to adopt and issue press releases, communications, and other forms of statements. These documents shall reflect the principles, the views of Eurosmart as a consensus driven industry body.
- **Procedural Appeals** – an appeal process shall be available for the impartial handling of procedural appeals.
- **Consensus** – consensus is the rule (general agreement, but not necessarily unanimity); during the development of consensus, comments and objections are considered using fair, impartial, open, and transparent processes. To validate this general agreement, votes can be organised pursuant to the following rulebook or the Committee(s) Terms of Reference (ToR).

Members

Duties

Members shall respect Eurosmart by-laws, rulebook, Committees’ ToR and antitrust guidelines.

Any Member may resign from the Association provided that it notifies the Secretariat thereof by a registered letter at least three months before the end of the financial year. The resignation becomes effective at the end of the financial year in which the Secretariat was notified. Withdrawal of membership does not affect the status of any outstanding fees due.

Members may notify once a year any changes in membership. This notification should be addressed to the secretariat at the latest ten working days before the first annual meeting of the general assembly. The selected membership category or level become effective for the full financial year, members’ voting rights, benefits and fee will be modified accordingly.

Members shall complete once a year the “membership agreement” (Pursuant Annex I) provided by the secretariat and indicate any change in invoicing address, VAT number and contacts.

Membership fees are due on the first day of the financial year or on another date determined by the Board. Member agrees to pay the Applicable Fee within 90 calendar days of receipt of the invoice from Eurosmart. Upon a Board decision, Members’ voting rights and/or membership can be suspended if they have been in default with their contributions for more than 90 days.

Committees Subcommittees and task forces

Composition

Eurosmart operates through Committees, Subcommittees and Taskforces.

- **Committees** - Committees are created or closed by a decision of the Board according to article 9 of the by-laws.
- **Subcommittees** - Subcommittees may be created by a Committee to focus on specific missions or topics. They operate under the control of the Committee. The creation of Subcommittees shall be confirmed by the Board.
- **Taskforces** - Taskforces are created for a limited period or closed by a decision of the Board.

Unless otherwise provided by the ToR, Full, Executive and Senior members are entitled to send representatives to all Committees, Subcommittees, and task forces.

Eurosmart encourages and seeks diversity in membership and its various stakeholder categories, therefore Directors, Co-directors and Vice-directors of Committees Subcommittees and Taskforces pay attention in ensuring balanced representation of the Eurosmart members. For this purpose, Full, Executive and Senior members are entitled to appoint a maximum of three representatives to each Committees, Subcommittees, and Taskforces. A representative of an Associate members can attend when invited by the Director of the Committee, Subcommittee, and Taskforce.

Governance

- **Committees** - Committees may adopt Terms of Reference (ToR) to specify decision-making processes or additional rules of acceptance. Otherwise, the rules as defined by the rulebook prevail. Committees' TOR cannot make prejudice to the Eurosmart by-laws and rulebook and should reflect the antitrust governance guidelines (Annex II) and the Eurosmart Intellectual Property Policy (IPR policy document).
- **Subcommittees** - Subcommittees are governed by the Terms of Reference of the Committee they belong to.
- **Taskforces** - Taskforces are assigned a mandate by the Board that may specify internal rules.

Unless otherwise provided by the ToR, in order to validly deliberate and take decisions, at least more than one half of the members of the Committee, Subcommittee or task force must be present or represented. Subject to a quorum being present, a decision shall be taken by a simple majority of the vote cast. Each member holds one voting right.

A member may give a power of attorney in order to be represented at a meeting. An attending member cannot receive more than one power of attorney. A member can register a vote by email prior to the meeting.

Any deliverables from the Committees, Subcommittees and Taskforces shall be approved by the Board.

Meetings with third organisations and external participants

Committees, Subcommittees, and Taskforces are allowed to organise common meetings with other organisations upon prior approval of the Board.

Associate members can attend the meetings when invited by the Director.

External participants can be invited to attend the meetings for a limited period that does not exceed twelve months, when invited by the Director and upon prior approval of the Board.

Assignments

Committees, Subcommittees are created to work on specific topics and according to their action plan. Taskforces are created to achieve a specific mission assigned by the Board on a limited period of time.

Committees, Subcommittees, and Taskforces present each year and before the end of Q1 their action plan and possible budgetary needs estimation for the following budgetary year to the Board.

Exceptional expenses that are not included in the annual budget are submitted to the decision of the Board and must be justified. A quarterly reporting on past expenses and forecasted expenses shall be provided by the Director of the Committee, Subcommittee, and Taskforce to the Treasurer. The Treasurer reports to the Board and to the General Assembly at least once at mid-year and then as often as it is needed according to the Treasurer.

Members of the Committees, Subcommittees and Taskforces are empowered to represent Eurosmart vision and to promote Eurosmart deliverables outside the Association and in public events when approved by the Board. They are responsible for the content of their deliverables.

Creation and Closing

Committees

Committees are created or closed by a decision of the Board according to article 9 of the by-laws. The creation of a new Committee is justified by a clearly defined new theme of work that cannot be covered by existing Committees or that requires a strong focus.

The withdrawal of a Committee is justified by the following reasons:

- end of the mission for which it was created;
- discussions have reached deadlock;
- the Committee has gathered less than three times during the year;
- the Committee delivered no concrete results during the year and cannot elaborate an action plan for the next year.

Subcommittees

Committees can create Subcommittees to focus on specific missions or topics. The creation of Subcommittees shall be validated by the Board. Unless otherwise provided by the ToR of the Committee, all Senior, Executive and Full Eurosmart members are entitled to join a Subcommittee. Subcommittees regularly report on their activities to their Committee they relate to.

Committees shall validate and endorse the results of their Subcommittees. Any deliverables from the Committee and its Subcommittees shall be approved by the Board.

Directors, Co-directors and Vice-directors of Committees, Subcommittees, and Taskforces

Appointment

Members of each Committee or Taskforce choose their own Directors, Co-directors, vice-director for one-year term of office renewable by tacit agreement unless members propose other members as candidates. Only representatives of Senior and Executive members are entitled to be nominated as Committee, Subcommittee and Taskforce Directors, co-Directors and vice-Directors. Unless otherwise provided by the ToR, Subcommittee Directors, co-Directors and vice-Directors are appointed by all the Committee members to which the Subcommittee relates.

Taskforce Directors, Co-directors and Vice-directors are appointed by the Board of Eurosmart.

Assignments

Committee, Subcommittee, and Taskforce Directors and Co-directors oversee meetings and ensures minutes of each meeting are recorded and distributed. They propose the agenda for each meeting. They can be seconded by vice-Directors.

Directors, Co-directors and Vice-directors are responsible for reminding and enforcing the Committee, the sub-group and the Taskforce members of the Eurosmart antitrust compliance guidelines and the Eurosmart IPR policy at each meeting.

They communicate on their respective action plans to the Board.

They shall keep record of the list of members of the Committee sub-groups and Taskforces and provide the secretariat of Eurosmart with regular updates via meeting records and/or list of actions and decisions after each Committee, Subcommittee, and Taskforces meetings. The secretariat of Eurosmart shall provide support to arrange meeting facilities, conference-call means, and transmit information about representatives or membership changes.

Confidentiality, antitrust rules, and Intellectual property rights

The members of the Association, including the Associates members and external participants shall comply with strict confidentiality rules (pursuant to Article 7 of the by-laws), the antitrust rules (pursuant to the Eurosmart antitrust compliance guidelines – Annex II) and the Intellectual Property Rights Policy (pursuant to the IPR policy document).

The Secretariat

Composition

The Secretariat may be staffed by the following type of personnel:

- Permanent staff;
- Fixed term staff;
- Trainees;
- Subcontractors;
- Volunteers.

The Director General manages the day-to-day activity of the secretariat.

Assignments

Coordination of the activities of the Association

- Acts as the Association's permanent advisor to the President, the Board and the General Assembly by providing fair liaison among members and promoting the Association's initiatives and projects at international level;
- Reports to the President, the Board, Committees and the General Assembly;
- Provides the Association's permanent secretariat: prepares and ensures the follow-up of the Board, Committees and General Assembly meetings; drafts the reports (including the Activity Report) and minutes and circulates them to the members; provides liaison among members with a view to ensure the proper functioning of the Association;
- Develops all relevant initiatives to improve the efficiency of the association for the benefit of its members;

Promotion of the Association

- Develops conditions facilitating permanent relations with the national, European and international institutions and agencies;
- Seeks every European research or financing opportunities likely to be of interest for the Association and its members;
- Prepares programmes designed to facilitate the promotion of the Association;
- Implements specific project requested by the Board;
- Ensures a good communication about the Association's activities to the Media, professional organisations, international associations, and institutions. Particularly, the secretariat supervises partnerships and speaking slots for Eurosmart. Besides, the secretariat oversees Eurosmart website management and updating.
- Represents the association on behalf of the President and under his/her request.

Complaint Procedure

This section details procedures for complaints and appeals that concern the actions and decisions of Eurosmart, its Committees, Subcommittees, Taskforces related to the release of a specification, a technical document or a publication.

Conditions

Complaints may only be submitted by persons or organizations that are directly, materially, or adversely affected by the activities related to the complaint.

Complaints filed with Eurosmart must:

- be introduced within 30 days after Eurosmart has officially communicated a specification or a technical document or a publication;
- be accompanied by documentation providing all relevant details of the complaint;
- include any supporting evidence or documentation, such as statements and explanations related to the issue; and
- not be repeated unless a minimum of 6 weeks has passed.
- pay attention on that the complainant (person or organization) shall not derive any rights or presume the validity of the claim based on the fact that Eurosmart is investigating the complaint.

Process

The complaint shall be submitted by e-mail sent to the Secretariat at: contact@eurosmart.com

The complaint, along with the personal and/or company information of the complainant (full name, address, and other contact details), shall include the complainant's personal opinion about the assessment and/or conclusion, the reasons for disapproval with the decision reached, as well as the settlement being sought.

The Secretariat will acknowledge receipt of the complaint, assign a complaint reference number (CPYYYYMMnn) the Board appoints the person responsible for investigating and assessing the complaint, The selection is based upon competence, independence and impartiality. Then, the Secretariat notifies the person of the complaint.

The person responsible will investigate and assess the complaint, considering advice from the technical experts, where necessary, to determine the facts of the case and an appropriate response or resolution.

This investigation will be completed within 30 days of receipt of the complaint. If more time is needed, the complainant will be notified of progress and estimated timeline.

Proposed resolutions will be reviewed and ratified by the Board for determining a final decision prior to onward communication.

The Secretariat will communicate outcomes or proposed resolutions to the complainant.

If the complainant agrees with the outcome at this stage, then the complaint does not proceed to further stages and the complaint is closed.

If the complainant is not satisfied with the outcome, then he/she may submit an Appeal (see section 2.3).

Records of complaints, investigations, and proposed resolutions will be provided to and maintained by the Secretariat.

Appeal Procedure

This procedure stipulates the way in which an appellant may appeal a decision of Eurosmart with respect to a complaint.

Filing

Appeals may only be submitted by persons or organizations that are directly, materially, or adversely affected by the activities related to the initial complaint / appeal.

The appeal must be submitted within 14 days after the decision on the disputed complaint is communicated to the complainant.

The appeal shall be submitted by e-mail sent to the Secretariat: contact@eurosmart.com

Acceptance

The appellant can only submit an appeal after the Secretariat has communicated a final decision on the complaint.

If the appeal is submitted within the required timeline and by the appropriate person or organization and no prior appeal has been submitted, the appeal will be accepted by Eurosmart, with no undue burden imposed on the appellant.

When an appeal has been accepted by Eurosmart, the appeal is considered formal and will be dealt with according to this procedure.

Process

Upon acceptance of an appeal, the Secretariat will promptly acknowledge receipt and assign an appeal reference number (APYYYYMMnn). The Board selects the person responsible for investigating and assessing the appeal. The selection is based upon competence and independence/impartiality.

The person responsible for investigating and assessing appeals will be notified of the filed appeal.

The person responsible will investigate and assess the appeal, taking into account advice from the technical experts where necessary, to determine the facts of the case and an appropriate response or resolution. This investigation will be completed within 30 days of receipt of the appeal. If more time is needed, the appellant will be notified of progress and estimated timeline.

All appeals will be handled by the relevant parties promptly and in a fair, unbiased, and impartial manner.

Proposed resolutions will be reviewed and decided expeditiously by the Board prior to onward communication.

The Secretariat will communicate outcomes of final decision to the appellant and the appeal is closed. Note that appeals may not be repeated or re-submitted.

Records of appeals, investigations, and proposed resolutions will be provided to and maintained by the Secretariat.

Annex I

Eurosmart membership agreement

The Member agrees to pay the Applicable Fee within 90 calendar days of receipt of the invoice from Eurosmart.

Membership is renewed automatically each calendar year on 1 January. Any decision to withdraw from Eurosmart membership at the end of the current year shall be notified to the secretariat of Eurosmart in writing (to be sent by registered post) before 30 September each year. Withdrawal of membership does not affect the status of any outstanding fees due.

The Member affirms its agreement and compliance with Eurosmart's by-laws, rulebook, intellectual property rights (IPR) policy, and antitrust compliance requirements.

Name of the representative:

Company or organisation member:

Membership category and level:

Signature:

Annex II

Antitrust compliance guidelines



EUROSMART – ANTITRUST COMPLIANCE GUIDELINES

1. PURPOSE OF THE ANTITRUST COMPLIANCE GUIDELINES

Eurosmart represents and promotes common interests of its members by expanding the world's secure devices market, developing security standards and continuously improving quality and applications. Though coordinated with or among members, these activities do not relate to members' market activities but enable them to speak with one voice. Eurosmart therefore provides a valuable legitimate service for its members.

Eurosmart's policy is to conduct its activities in strict compliance with applicable antitrust laws. Eurosmart's activities must not lead towards a restriction of competition between members, nor must meetings of members organized or supported by Eurosmart be used by members to discuss or coordinate market behavior resulting in a restriction of competition. More generally, the platform offered by Eurosmart to its members must not be misused for activities prohibited by antitrust laws.

In this context, Eurosmart has prepared and adopted the following Antitrust Compliance Guidelines which are not intended and should not be understood as being comprehensive.

2. GENERAL PRINCIPLES

Antitrust laws are intended to preserve competition by, among other things, prohibiting agreements between companies, decisions by associations of companies and concerted practices which have as their object or effect the prevention or restriction of competition. Antitrust offences are subject to severe sanctions. Trade associations, which bring together competitors, are subject to particular antitrust scrutiny.

Eurosmart members should particularly keep in mind that infringements to antitrust laws can be committed not only by agreements or decisions but also by concerted practices which do not need to be formal. This may include the mere communication of information as well as any kind of informal, verbal or non-verbal, understandings between competitors.

3. DO'S AND DON'TS

Guidelines presented below in the form of Do's and Don'ts highlight the most basic antitrust principles applying to Eurosmart's activities. Each Eurosmart member should familiarize with its responsibilities under antitrust laws and should consult with legal counsel whenever there is a question involving specific situations, interpretations, or advice.

3.1 MEETINGS RULES

DO'S	DON'TS
<ul style="list-style-type: none"> ✓ Circulate agendas in advance and adhere to such prepared agendas for all meetings. ✓ Freely exchange: <ul style="list-style-type: none"> - Non-strategic information (<i>e.g.</i>, quality); - Public information, available to the same conditions (in terms of costs of access) to all market players including customers; - Sufficiently aggregated data collected <i>a posteriori</i> with sufficient time with regards to its findings and market forecasts on a general basis (<i>i.e.</i>, not relating to a specific company) <ul style="list-style-type: none"> – please also refer to STATISTICAL COLLECTION AND REPORTING RULES. ✓ Ensure that comprehensive minutes are taken and object to minutes that do not accurately reflect the discussions and actions taken. Minutes must be communicated to the secretariat that keeps records of the necessary documents. ✓ Have a document retention program which clearly sets out which records are kept and for what period of time. ✓ Ensure that communications of the different Eurosmart's Committees are addressed to all the participating members at the same time including the secretariat. 	<ul style="list-style-type: none"> X Do not discuss or exchange information on commercial sensitive topics including, but not limited to the following: <ul style="list-style-type: none"> - Current, future or past prices/increase or decrease in prices; - Margins, profits, costs; - Market shares, sales volumes, customers allocation; - Identity of clients, terms of sales, commercial strategies, business plans; - Any other information of a confidential nature. X Do not hold unscheduled or informal meetings whether held in conjunction with regular Eurosmart's meetings or not. X Do not hold side discussions with a restricted number of Eurosmart members which exclude the secretariat and/or the Committee director.

3.2 STATISTICAL COLLECTION AND REPORTING RULES

It is part of Eurosmart’s purpose to provide its members a forum for the exchange of marketing and technical data and in particular, to collect and circulate statistical data from and to members.

3.2.1 GENERAL RULES

DO’S	DON’T S
<ul style="list-style-type: none"> ✓ Ensure, before agreeing to set up any statistical program that it has a legitimate aim; there are a sufficient number of participants. In case of doubt, ask for a prior review by a legal counsel. ✓ Ensure that company data will be collected on a strictly confidential basis. ✓ Ensure that current data may only be disclosed in aggregated and anonymous form. ✓ Ensure that members do not receive, under any circumstances, confidential or commercially sensitive information from or about other members. ✓ Comply with MEETING RULES in any meetings held in consideration of statistical collection and reporting. In particular, ensure that discussion and exchange of views with regard to market situation, estimation of future trends and developments of the market are based on objective criteria and limited to a general discussion. Each company is free to use information in the way it sees fit and to make its own business decision. Legal counsel may attend such meetings to ensure compliance with Antitrust Compliance Guidelines and with antitrust laws in general. 	<ul style="list-style-type: none"> X Do not collect price information (current, future or past prices). X Do not collect specific projection for future market share and production capacity or similar information. X Do not disclose, under any circumstances, data supplied by individual company. X Do not disclose aggregated data which would permit to identify individual company’s data. In case of doubt, ask for a prior review by a Legal counsel.

3.2.2 EUROSMART VOLUME SHIPMENTS, MARKET VOLUME ESTIMATES AND FORECASTS

Eurosmart conducts statistical programs which must comply with these Antitrust Compliance Guidelines and in particular with the GENERAL RULES on statistical collection and reporting.

DO'S	DON'TS
<ul style="list-style-type: none"> ✓ Collection and aggregation of data are performed by an independent third party (<i>i.e.</i>, legal counsel). ✓ For the volume shipments <ul style="list-style-type: none"> - The independent third party calculates the total volume shipments based on the information provided by all the participants. ✓ For the market volume shipments estimates and perspectives in particular: <ul style="list-style-type: none"> - Market volume estimates and forecasts should reflect members' estimates based on their own experience and available market statistics; - The independent third party calculates and provides average figures and standard deviations on market volume estimates and perspectives based on the information provided by all the participants; - These average figures will be presented as the Eurosmart market volume estimates and perspectives. ✓ Based on the evolution of the estimates and perspectives from one period to the next, Eurosmart will present the main growth drivers and trends by segment to be published (e.g., in 	<ul style="list-style-type: none"> X Do not disclose aggregated data which would permit to identify individual competitor's data (<i>i.e.</i>, less than 3 participants – this figure is likely to evolve according to the number of participants and the market's features).

Annex III

Rules for classification of documents

To be edited and adopted by the Board of Eurosmart