

THE ASSOCIATION OF EUROPEAN BUSINESSES

**Objectives and rules of the
Automobile Manufacturers Committee
(AMC Charter)**

(Revision approved by the AEB Board on 13 November 2018)

1. Objectives of the AMC

- 1.1. The Automobile Manufacturers Committee (AMC) is a Committee of the Association of European Businesses in the Russian Federation (AEB). The AMC follows the rules and objectives of the AEB. In case of any doubts, the AEB Charter and the general AEB Committee Rules prevail over the present Statute.
- 1.2. The AMC is a group of automobile manufacturers, which either directly or indirectly guide their business activities in the territory of the Russian Federation.
- 1.3. The objective of the AMC is to support and lobby business activities in the Russian Federation, and represent the common interests of its Members.

2. Membership Criteria

- 2.1. Members of the AMC can be one of the below listed:
 - A local/localized automobile manufacturer;
 - A sole authorized importer of a foreign automobile manufacturer in the Russian Federation in the form of a manufacturer's subsidiary;
 - A representative office of a manufacturer/brand (should not include trading houses).
- 2.2. Every AEB member meeting the above AMC membership criteria may apply for AMC membership to the Chairperson. The application shall be made in writing and shall be accompanied by a company profile, documents allowing the AMC Members to verify whether the above membership criteria are met as well as a recommendation letter of an existing AMC Member. The decision on the company's membership in the AMC is subject to voting as stipulated by the current Statute.
- 2.3. The AEB or any other business association has no right to impose on the AMC as to who can or cannot become the AMC Member.

3. Activities of the AMC

- 3.1. The AMC shall, as much as possible, undertake all necessary and appropriate measures to achieve the objectives stated in Section 1 of the current Statute.
- 3.2. The AMC shall be obliged to concentrate its activities on the most important and urgent issues of the automobile business.
- 3.3. The AMC shall deal directly and indirectly with the Russian federal and regional authorities, Russian, European and international organisations and institutions, as well as with mass media. The AMC forms its opinion on the industry issues of interest and communicates the opinion to the said authorities, organisations and institutions by the means of letters, press-releases and other tools available at the AEB.

- 3.4. The AMC can in certain cases discuss problems pertaining to the interests of a specific Member, with the agreement of this Member and without acting directly in favour of this particular Member.
- 3.5. The Chairperson is obliged to inform the AEB Board of the AMC activities whenever requested.

4. AMC Organization

- 4.1. Members are represented by companies CEOs. Each AMC Member CEO shall have the right to appoint a representative for AMC activities. In such a case, the representative shall be also vested with the right to vote on behalf of that Member. Every CEO of the AMC Members is obliged to keep the Chairperson informed well in advance about the changes in his/her representatives in the AMC.
- 4.2. The AMC operates through general AMC meetings, which are, as a rule, to be attended by CEOs of the Members, as well as through AMC Working Groups (WG).
- 4.3. AMC establishes WGs to work on specific issues of interest. The AMC Members may nominate one authorized representative each (other representatives of the member may participate in WG without voting rights) for each WGs in written form via e-mail. The number of the WGs may vary and depends on the AMC focus topics/activities.
- 4.4. The AMC is chaired by the Chairperson or the Deputy Chairperson in case the Chairperson is absent.
- 4.5. The Chairperson and the Deputy Chairperson are to be elected in accordance with the general AEB Committee Rules. They may be re-elected.
- 4.6. The AMC shall elect its Chairperson from among the CEOs of the Members when the term of the previous Chairperson expires or when he/she is not re-elected for the next term or when his/her powers are terminated ahead of time (in particular, if he/she leaves the CEO position of the Member).
- 4.7. The AMC shall elect its Deputy Chairperson from among the CEOs or Brand managers (Heads of brands) of the Members when the term of the previous Deputy Chairperson expires or when he/she is not reelected for the next term or when his/her powers are terminated ahead of time (in particular, if he/she leaves the Brand manager/Head of brand position of the Member).
- 4.8. The Deputy Chairperson shall assume the duties of the Chairperson if the latter is unable for whatever reason to attend respective meetings and/or to temporarily act in that capacity. The Deputy Chairperson assists the Chairperson as agreed with the Chairperson.
- 4.9. Each WG elects its chairperson by a simple majority of votes (in accordance with the general AEB Committee Rules). Such a chairperson may be re-elected. The term of such a chairperson shall be limited to the term of the AMC Chairperson.

4.10. The Chairperson/Deputy Chairperson and chairpersons of the WGs closely collaborate with an AMC Coordinator (designated AEB employee), who organizes the work of the AMC/WGs and acts as a facilitator in general AMC as well as WGs meetings.

5. AMC/Working Groups Meetings

5.1. General AMC (CEOs) meetings shall be held at least once in 3 months and shall be chaired by the AMC Chairperson. The AMC Chairperson or the AMC Deputy Chairperson or the AMC Coordinator shall forward a notification of the forthcoming meeting along with an agenda to all CEOs of the Members in advance.

5.2. A general AMC (CEOs) meeting is valid if at least 5 duly represented AMC Members take part therein.

5.3. AMC defines major topics of its relevance at the AMC general meetings. Such topics may be suggested by the Chairperson or any AMC Member or any WG chairperson and approved by the AMC Chairperson.

5.4. WGs meetings shall be held at least once in 3 months and shall be chaired by the WG chairperson. The AMC Coordinator shall forward a notification of the forthcoming meeting along with an agenda to all members of the WG in advance.

5.5. A WG meeting is valid if at least 3 WG representatives take part therein.

5.6. WGs define topics of relevance related to the tasks of respective WGs at WGs meetings. Such topics may be suggested by the WG chairperson or any WG representative and approved by the WG chairperson.

5.7. Apart from actions, for which voting is required, any action (including external letters) can be taken if no objections have been expressed by any Member of the AMC or any representative of the WGs. In case an objection is raised on the AMC (CEOs) level, the respective action can either be terminated or subjected to voting with consequent steps as described in Section 6 of the current Statute. In case an objection is raised on the WG level, the respective action can be either terminated or forwarded to the AMC (CEOs) level for further consideration.

5.8. Draft documents (e.g. letters) are circulated by the Committee Coordinator to members of the initiating WG and/or to the AMC CEOs when required. Letters are sent on the AEB letterhead and signed by the AEB CEO and the AMC Chairperson.

5.9. Minutes and agendas shall be maintained in respect of AMC/WGs meetings and resolutions.

6. AMC Voting Procedure

6.1. The AMC shall adopt decisions and resolutions by voting either at meetings or through a circular written procedure (e-mail is sufficient), provided that the AMC Members have no objections.

6.2. Voting is required in the following cases:

- All AMC membership issues;
- AMC Charter changes;
- Elections of the Chairperson and the Deputy chairperson;
- If the Chairperson or the Deputy Chairperson or a WG chairperson or any CEO (his/her representative appointed in accordance with the current Statute) of the Members requests a voting prior to a particular decision/resolution is adopted.

6.3. Each Member of the AMC has one vote despite the number of brands the Member represents. If one brand is represented by several Members, then only one of these Members (agreed upon by themselves) can vote on behalf of this brand.

6.4. Voting shall be deemed valid if at least 50 per cent of the Members are present. In case of the voting by the written circular procedure, the decision can be taken if at least 50 per cent of the Members participated in the given voting, whereas Members, who abstained, are also counted for this purpose.

6.5. The AMC can act in case the majority of the Members present at the given meeting or participating in the written circular procedure agree to take respective actions. Any decision in respect of the membership (in particular, consideration of applications of new Members) can only be taken if there are no Members voting against such a decision.

6.6. In the event of equal votes for and against a motion, the motion shall be deemed rejected.

6.7. In case of voting on AMC external activities (e.g. proposals/letters to the state authorities), a Member, which has voted against the motion, can request to include a respective disclaimer in the AMC communication.

6.8. Voting shall be held by secret ballot if at least 10 per cent of the Members request so.