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Originator <b>IFBEC TASK FORCE</b>	Orig. Date: June 2011	Rev. # 2
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**Chapter 1: Presentation of the organization**

**Article I. Name**

The name of the organization shall be the “International Forum on Business Ethical Conduct for the Aerospace and Defense Industry,” hereinafter referred to as “IFBEC.”

**Article II. Purpose and Policy**

1. Definition

- a. IFBEC members shall pay an annual fee to be decided by the Task Force each year.
- b. A qualified industry association, which can be regional or national, is an association:
  - (i) that can demonstrate it represents the broad majority of their national/regional industry in the aerospace/defense sector;
  - (ii) is committed to the advancement of ethical business conduct in the aerospace/defense industry; and
  - (iii) has endorsed the Global Principles and recommended they be adopted by the association’s member companies.
- c. A Company Statement is a document found on the IFBEC website:
  - (i) that describes a company’s ethics activities, and
  - (ii) whose latest version must be completed and signed by a company’s CEO as part of the initial application for IFBEC membership and annually by a designated corporate ethics officer from that point onwards.

2. Purpose

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- a. Promote and foster through the Global Principles the development of global, industry-wide ethical standards for companies that are active in the aerospace and defense business sector.
- b. Organize opportunities for industry and relevant stakeholders to exchange information and best practices concerning ethical business challenges, practices and opportunities worldwide.

## **Chapter 2: Composition of the organization**

### **Article III. IFBEC Membership**

#### 1. Eligibility

- a. Any company that is engaged in aerospace/defense business, is a member of a qualified industry association, has submitted an application for membership, and received approval by the Steering Committee is eligible to be a member of IFBEC and a member of the IFBEC Steering Committee.
- b. If a company is not a member of a qualified association, they may become a member by submitting an application for membership and receiving approval by the Steering Committee but will not be eligible to serve on the Steering Committee.

#### 2. Application for Membership

An application for IFBEC membership must be in writing, sent to the Executive Secretary of IFBEC, and include:

- a. A signed Company Statement
- b. A statement agreeing to be bound by the charter of IFBEC, and
- c. A commitment to pay an initial registration fee and a subsequent annual fee for membership.

#### 3. Election to Membership

- a. An application for Membership must be formally approved by the IFBEC Steering Committee.
- b. An application shall be rejected if

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- (i) the applicant has not met the requirements of Article III 1. or 2. above, or
- (ii) despite meeting the requirements, the applicant in the IFBEC Steering Committee reasoned opinion has not demonstrated commitment to the purpose of IFBEC as defined in Article II 2 a. above.

#### 4. Termination of Membership

- a. A member of IFBEC may terminate its membership through written notification to the Executive Secretary.
- b. An IFBEC membership may be terminated through a Steering Committee decision, should the member in question, in the Steering Committee’s reasoned opinion, fail to meet member commitments. Before termination, the company shall be offered an opportunity to comment on the action contemplated by the Steering Committee and propose remedial action. The Steering Committee shall take the company’s statement into consideration before taking action to terminate membership.

#### 5. Listing of Members

- a. The IFBEC Executive Secretary shall maintain and publicize a list of current IFBEC corporate members and qualified associations on [www.ifbec.info](http://www.ifbec.info).

#### 6. Obligations and responsibilities of IFBEC Members

- a. Each member shall promote the IFBEC initiative and the Global Principles.

<b>Chapter 3: Organization and Performance</b>
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### **Article IV. IFBEC Steering Committee**

#### 1. Roles and Responsibilities

- a. The Steering Committee is the governing authority of IFBEC.
- b. The Steering Committee may appoint sub-committees which shall report to the Steering Committee.
- c. The Steering Committee shall approve all applications for IFBEC membership

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- d. The Steering Committee shall bring forward at the IFBEC meeting proposed amendments and/or revision of the Global Principles and IFBEC charter, and the IFBEC meeting agenda.

2. Composition

- a. The Steering Committee shall consist of a maximum twenty-one voting members of the IFBEC. AIA and ASD as founding associations shall serve as non-voting members.
- b. Every two years AIA and ASD shall each nominate up to seven representatives from their respective industry associations to sit in the Steering Committee.
- c. Up to an additional seven members shall be appointed by the designated AIA and ASD Steering Committee members from a pool of eligible candidates nominated from among all other IFBEC members.

3. Convening, Decision Making, and Voting

- a. The Steering Committee shall convene on an “as required basis” but at least twice per year. One of these meeting can be held as a teleconference. Minutes shall be taken at the Steering Committee meetings. Decisions can be taken by the Steering Committee at its meetings or in writing, provided all Steering Committee members have had the opportunity to confirm its vote in writing or by electronic means.
- b. To have a quorum, more than half of the Steering Committee members shall participate or make provisions for vote by proxy.
- c. Proposed amendment and/or revision of the Global Principles and/or the Charter shall be determined by the Steering Committee as a whole. If unanimous consent cannot be reached, then the proposed amendment and/or revision of the Global Principles and/or the Charter shall require approval by a two thirds majority of the Steering Committee. Any approved amendment and/or revision of the Global Principles and/or the Charter shall be brought forward for information at the forthcoming IFBEC meeting. Amendment and/or revision of the Global Principles and/or the Charter shall take effect thirty (30) days after the conclusion of that IFBEC meeting at which it was presented.
- d. Issues on election to or termination of membership shall be determined by a two thirds majority of Steering Committee members.
- e. All other matters, including development of the annual meeting agenda, shall be by a two thirds majority of Steering Committee members represented at the

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meeting, provided that these members also represent a majority of all the Steering Committee members.

## **Article V. IFBEC Officers**

### 1. Chairman of the Steering Committee

- a. The Chairman shall be elected by the Steering Committee from the Steering Committee members appointed by AIA or ASD.
- b. The term of the office shall be two years with an option to be appointed for a second two-year term.
- c. As a general principle, the position shall alternate between AIA and ASD member company representatives.
- d. The Chairman shall preside at Steering Committee meetings and be the primary spokesperson for IFBEC.

### 2. Vice Chairman of the Steering Committee

- a. The Vice Chairman shall be elected by the Steering Committee from the members appointed by AIA or ASD.
- b. The term of the office shall be two years with an option to be appointed for a second two-year term.
- c. As a general principle, the position shall alternate between AIA and ASD member company representatives.
- d. In the absence of the Chairman, the Vice-Chairman is authorized to act on his/her behalf.

### 3. Executive Secretary

- a. The Executive Secretary shall be selected by the Steering Committee.
- b. The Executive Secretary shall report to the Chairman and Vice Chairman, and serve at the discretion of the Steering Committee.
- c. The duties of the Executive Secretary include, but are not limited to:

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- (i) serving as focal point for the administration of all IFBEC activities;
- (ii) giving of notice of all meetings to members;
- (iii) taking minutes of meetings and actions;
- (iv) collecting fees;
- (v) keeping records of all IFBEC documentation;
- (vi) liaising with designated AIA and ASD points of contact to obtain a reasonable level of administrative support at no cost from both associations.

#### **Article VI. IFBEC Meetings**

##### 1. Purpose

- a. There shall be at a minimum one meeting of the IFBEC annually, providing for discussion and for the evaluation of challenges and opportunities to advance the purpose of the IFBEC.
- b. Amendment and/or revision of the Global Principles and/or the Charter approved by the Steering Committee shall be presented at the IFBEC meeting and the participants shall be invited to comment. Unless the discussions cause the Steering Committee to take a different view, the amendment and/or revision shall take effect as stipulated in Article IV 3.c.

##### 2. Attendance

- a. IFBEC members and those companies having applied for or considering membership in the IFBEC are expected to attend.
- b. Other companies and stakeholders shall be invited to attend as considered appropriate and determined by the Steering Committee.

### **Chapter 4: Funds of the organization**

#### **Article VII. Financing of IFBEC**

##### 1. Fees

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- a. IFBEC members shall pay an initial registration fee and an annual fee to be decided by the Steering Committee each year.
- b. These funds will provide an annual operating budget to be approved by the Steering Committee.
- c. The Steering Committee shall prepare and present an annual financial report at the IFBEC meeting.
- d. IFBEC events are expected to be self-financed.

<b>Chapter 5: Practical details</b>
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**Article VIII. Communication on behalf of IFBEC**

All correspondence, positions and other documents to or with other associations or international organizations and authorities for and on behalf of IFBEC must be signed by the Chairman, or by the Executive Secretary as authorized by the Chairman.

**Article IX. Official Language**

The language to be used by and within IFBEC is English.

**Article X. Association Details**

The IFBEC is an unincorporated non-profit association organized under the laws and regulations of the District of Columbia, USA.

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