



Explanatory note regarding proposed changes to the Association's statutes including proposal for a new ITFA membership fee tier

The association has reviewed its statutes to ensure that they are up-to-date and fit for purpose. A number of changes have been made to allow for more efficient administration and to ensure that the statutes reflect best current working practices.

In addition, many members which are organised as corporate groups with a parent and subsidiaries or affiliates have asked if it would be possible to accommodate their subsidiaries and affiliates at events and allow them to attend and benefit from these. The Board has determined that this would be a desirable change but needs to balance this against the additional work this would give rise to. It is therefore proposing the creation of a "Group Membership" category at a higher fee level to ordinary single-entity membership, €3,500 as opposed to €1,500 currently. Members need not apply for this category of membership but should note that individuals in their subsidiaries will not be able to attend Association events.

ADMINISTRATIVE CHANGES

- Article 5 – it is not necessary to have a Board Membership Committee, and, in practice, membership applications are dealt with without the need for additional formality.
- Article 12 – electronic voting allows us flexibility in handling AGMs without members losing their rights to question the Board or visibility into the affairs of the Board and the Association. We therefore want to put beyond doubt our ability to open and close electronic voting before and after the date set for the online AGM.
- Article 16 – a nomination committee for Board membership has not formed for a long time, is not necessary as the Board administers itself without the need for additional formality.
- Article 21 – the first change underlines that the formation of any such executive committees is permissive and not mandatory. It is also impractical for any such committees to be dissolved following an election.

GROUP MEMBERSHIP

- The rationale for the change is explained above.
- The relevant changes are set out in the proposed amendments to Articles 4 and 13.
- Note that the entities which would form the "group" for group membership purposes are to be determined by the law of the country of incorporation of the relevant member.