Letter of Intent on Cooperation with Weighing and other Related Associations

Between:

CECIP, the European Association for National Trade Organizations Representing the European Manufacturers of Weighing Instruments, having its headquarters in Boulevard Auguste Reyers 80, 1030 Brussels (Belgium) (hereinafter referred to as "CECIP").

Represented by:

Urs Widmer, President of CECIP duly granted therefore and Roland Nater, President of the CECIP International Cooperation Group on one part

and

CWIA, China Weighing Instrument Association, having its headquarters in Rm. 806 Qingyun dangdai Plaza, 43 N.3rd Ring Rd West, Beijing, 100086, China (hereinafter referred to as "CWIA").

Represented by:

Liu Xiaohua, President of CWIA duly granted and Mr. Sheng Xiaohui Exhibition Manager of CWIA

on the other part

CECIP and CWIA are hereafter each referred as "the party", and together as "the parties".

WHEREAS

- 1. CECIP is the European Association for National Trade Organizations representing the European Manufacturers of Weighing Instruments and has 14 national weighing associations as members.
- 2. The China Weighing Instrument Association is a national social economic group as a legal body. It is a democratic and autonomous authority in charge of administration of the weighing industry of China. The CWIA was set up on October 10, 1983. Now it has more than 500 members. CWIA members include manufacturers, distributors, researchers, educators, government officials, end users, scales purchasers and suppliers to the industry.
- 3. The parties started some contacts to identify possible fields of cooperation.
- 4. After some discussions, the parties have identified that they fulfilled a similar code of conduct and have agreed that they are willing to cooperate.
- 5. For laying down such cooperation, discussions have started with the view of setting up and signing a Letter of Intent.
- 6. The target of the cooperation will be the following:
- To set up a long-term cooperation.
- To exchange and discuss Legal Metrology topics in order to get a common approach to the different issues.
- After some discussion and negotiation to agree, raise one single voice for the international weighing industry at the OIML and other international meetings.
- 7. To exchange information on actual developments (legislation, regulations, standards, etc.) at national and international level. This Letter of Intent shall govern and set up the principles of the cooperation between the Parties.
- 8. The Parties hereby agree that, except as may otherwise hereafter be agreed in writing, the following terms and conditions shall be applicable to their cooperation in general, and specifically, to all meetings, communications and projects between the parties and their members and/or representatives of the parties in connection with their cooperation, hereinafter called "The Authorized Purpose". The terms and conditions of this Letter of Intent shall only apply to the Authorized Purpose.

IT HAS BEEN AGREED AS FOLLOWS

Clause 1:

The parties will exchange all necessary information to have a direct and fluid contact with each other, such as contact person, position within the association, company, position within the company and email address.

Clause 2:

To achieve the target of the cooperation, it is recommended to hold annual meetings between the Parties. The General Assemblies of the Parties could be a suitable moment for holding such meetings.

Clause 3:

The parties will have access to all relevant documents for each meeting, such as the agenda, minutes, attendants' list and relevant documents and/or presentations of the topics discussed within the meetings.

Clause 4:

The information that will be allowed to be exchanged between the parties will be the following:

- Technical requirements, arising from standards and recommendations.
- Metrological Legislation and legal metrology issues, i.e. OIML, relevant national legislation, etc.

The information that will not allow to be exchanged is listed in the CECIP Code of Conduct, which annexed to this Letter of Intent.

Clause 5:

After some discussion and negotiation, the parties agreed on the content of the 'Code of Conduct' within CECIP (Annex of this letter of Intent) and will respect it in all its terms.

Clause 6:

In case any of the parties will breach the Letter of Intent and/or the Code of Conduct, totally or partially, the cooperation will automatically end.

Clause 7:

This Letter of Intent is written in bilingual (Chinese and English version), each party sign one in Chinese and one in English. The Letter of Intent becomes effective from on the date of the parties' signature.

Signed in Vienna, Austria on June 3rd, 2016

Mr. Urs Widmer President CECIP

Mr. Liu Xaiohua President President CWIA

Mr. Roland Nater

President ICG

Mr. Sheng Xiaohui

Exhibition Manager of CWIA





Annex: Code of Conduct

中国衡器协会和欧洲衡器制造商协会 关于开展合作的意向书

甲方: 中国衡器协会

乙方: 欧洲衡器制造商协会

总则:

一、中国衡器协会

成立于 1983 年,现有会员 500 多个,是由从事衡器生产、经营、管理、科研、设计、教育等有关企事业单位和个人自愿组成的全国性、行业性、非营利性社会组织,具有社团法人资格。

二、欧洲衡器制造商协会

是由奥地利、捷克、法国、德国、匈牙利、意大利、荷兰、波兰、罗马尼亚、俄罗斯、斯洛伐克、西班牙、瑞士和英国 14 个国家衡器协会和衡器制造商作为会员代表组成的协会组织。

三、双方须确定相应的联系人进行联络沟通,以便确认在哪些领域开展合作。

甲方代表:中国衡器协会理事长 刘晓华

甲方联络人:中国衡器协会展览部主任 生晓辉

乙方代表: 欧洲衡器制造商协会理事长 Urs • Widmer

乙方联络人: 欧洲衡器制造商协会国际合作部部长 Roland • Nater

四、经过协商,双方的行为规范要一致,同意且有意愿合作。

五、双方不论是实施合作,还是进行讨论都要基于签署的合作意向书。

六、合作拟达成目标如下:

- 1、合作为长期合作。
- 2、以法制计量为主题交流并讨论,以便运用通用的方法解决不同的问题。
- 3、经双方友好协商达成一致后,在0IML或其他国际会议中

发出一致的声音)

七、双方交流各自发展的实际情况(如立法、规程、标准等)。

八、甲乙双方同意,除非以书面的形式另有约定,以下的条款和条件 均适用于日常的合作,特别是对于甲乙双方,及甲乙双方会员和与合 作有关代表的所有会议、交流和项目。以下称为"经授权的目的"。 本意向书的条款和条件都仅用于经授权的目的。

双方约定如下

- 一、双方不定期进行联络并交换必要的信息,如联系人、协会内职位、会员单位、会员单位人员职位以及邮箱地址。
- 二、为达到合作目标,建议甲乙双方每年进行会谈。(建议在双方的会员大会或者年会时举行会谈)。
- 三、双方有权使用历次会谈的相关文件,如会议议程、会议记录、与 会名单和相关文件或主题发言稿。
- 四、以下为双方允许交换的信息:
 - 1、标准或建议的技术要求;
 - 2、计量法规和法制计量事宜,如 0IML,相关国家立法等。

不允许交流的信息将被列在本文件附件中的"行为准则中"。

五、经双方友好协商一致,双方同意欧洲衡器制造商协会的行为规范并遵守规范中的各条款。

六、假如双方违反本意向书或共同的行为规范,不论其中一方违反或 双方同时违反,合作将自动中止。

七、本意向书于 2016 年 6 月 3 日在奥地利维也纳签署,自签字之日起生效。文件为一式两份,由中文和英文写成,双方各执一份。

附件: 欧洲衡器制造商协会行为准则

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刘晓华

会长

中国衡器协会

生晓辉

展览部主任

中国衡器协会



Ulidam 3.6.2016

厄尔斯·威德默(Urs Widmer)

会长

欧洲衡器制造商协会

12. Water 3.6.2016

罗兰·纳特(Roland Nater)

国际合作组部长

欧洲衡器制造商协会



Code of Conduct

CECIP believes it is important that its activities are at all times carried out in accordance with the applicable law, especially competition law. CECIP believes that business shall be conducted in an atmosphere of free competition, i.e. on the basis of price and qualify. CECIP recognises that competition law intends to stimulate free competition, something which has CECIP's full support. CECIP feels it is important to confirm this by adopting a Code of Conduct. This Code of Conduct shall be binding on all members as well as on other participants when taking part in activities of CECIP. The Code of Conduct aims at providing clear rules to CECIP's members, thus reducing the risk of improper conduct and consequently of fines being imposed.

The following rules shall at all times be respected within CECIP:

CORE PROCEDURES

- 1. Meetings of a body, committee, working group or other form of cooperation within CECIP shall only take place after the members have been invited to the meeting in writing. The notice inviting to the meeting shall also include the orange of the meeting.
- 2. Minutes shall be kept of each meeting as referred to in 1., above; these shall be sent to all members of the relevant body, committee, working group or other form of cooperation. The minutes shall be kept in an organised form for a period of at least 7-10 years.
- 3. Consultations and discussions in a body, committee, working group or other form of cooperation on the topics on the agenda and other topics, where these are related to the market (i.e. topics that many be of interest for the position and for determining the position of the individual members in competition), shall be limited to the official meeting, of which minutes will be kept.
- 4. During the consultations as referred to in 3., above, it shall not be decided to discuss certain topics during the meeting subject to the condition that this will not be recorded in the minutes. If such condition is stipulated the chairman of the meeting shall refuse to proceed to discuss the topic in question.
- 5. Each meeting of a bedy, committee, working group or other form of cooperation during which market-related topics are discussed, shall be attended by at least one staff member of the association. This staff member will mention topics that are sensitive from a competition law point of view. If there are doubts about such sensitivities, the topic shall not be discussed until the advice of an expert in the field of competition law is obtained, and this advice is to the effect that the topic may be discussed without any objection, or until the limits to be observed during the discussion are clear.

A. PROHIBITED TOPICS

The following topics are prohibited and out of bounds during meetings of bodies, committees, working groups or other forms of cooperation within CEOP, particularly as far as information on these topics is exchanged between companies which might be considered as competitors:

- Sale prices, rotes, (intended) price adjustments, recommended prices, discounts, murti-ups and other price-related topics concerning products or services of member companies;
- Division/sharing of the market, e.g. by allocating a specific geographical area, specific customers or specific groups of customers to specific members;
- Restriction of production or sales;
- Pre-consultations with respect to responses to invitations to lender of potential clients;
- Charging on after costs of competitors in one's own offer;
- Exchanging market information by the individual members, i.e. information about production, turnover, sales, investments, divestments, R&D expenses and other information, as for as this is related to specific (categories of) products or services, that may be regarded as commercially sensitive information;
- Publishing of the average price or of the price bandwidth within the sector:
- Exclusivity for specific members to represent producers and importers;
- Beycotting specific suppliers or customers;
- Any other topic that could lead to coordination of market behaviour restricting competition:
- Pre-consultations between competitors when responding to invitations to tender (in tender procedures with both public and private purchasers);
- Agreeing that all competitors add a surcharge to their bid (which would then be used for "compensating" the hidding costs of those companies that would not win the tender).

B. TOPICS THAT MIGHT PRESENT A PROBLEM

The following topics might, under certain circumstances, present a problem from a competition law point of view, but especially in a highly concentrated, objopolistic market (i.e. a market with only few players). This means that these topics shall at all times only be discussed within the context of CEOP in proper consultation with an expert to the field of competition low:

- General terms and conditions of sale and delivery. If these pertain to sensitive competitive parameters (e.g. prices, rates, manner of indexation, on-charging specific costs) or if the use of the conditions is mandatory, the competition authorities may abject:
- Restrictions on participating in trude fairs. As a general rule, each company should be free to participate in any trade fair it likes and companies should not be asked to boycott any trade fair. Restrictions to this freedom to participate are only allowed under specific conditions. Collective bargaining by the members of CECP to obtain a better price or other conditions from the trade fair organisation does not constitute a problem under reasonalities law:
- Schemes for recognition/membership criteria. For as long as recognition or membership of CECIP does not play a decisive part for the potential customer when choosing a product or service, there are no objections to this from a competition law point of view. As soon as the customer does find this important, however, these schemes must suitsfy specific criteria;
- The secretariat of CECIP is allowed, in principle, to collect commercial information about individual companies and to make this information available to the members in an aggregated amanuer. It must in any event be absolutely guarantee that no information on individual companies can be deducted from this aggregate information. In some countries the national competition authorities will only allow such statistics systems if the collected information can be qualified as sufficiently historical, e.g. (depending on the circumstances) presenting data of at least one year before, and/or if the information is made publicly available.

C TOPICS THAT DO NOT PRESENT A PROBLEM

- The following topics constitute the core business of most of ECIP's activities and discussions and consolitations on these topics do normally not present any problem under competition law, provided that the topics mentioned under A. are not touched mone:
- General cyclical economic data and husiness climate, as long as discussions on these tapics do not relate to any individual company's behaviour. These discussions focus on the macro level and do not effect any company's behaviour in the market;
- Lobbying activities relating to general interests in the sector and concentrating on legislation and other public issues which may affect the sector.
- Lebour law and social issues. These issues are considered to be irrelevant under competition law;
- Legal issues. These issues are by definition of a general nature, as these will affect any company's business to the same extent:
- Standardisation issues, if (i) the standard-setting procedure is transparent and open for participation by any interested party, (ii) there is no obligation to comply with the standard, (iii) access to the standard is provided on fair, reasonable and non-discriminatory terms, and (iv) any discussions within the standard-setting procedure are restricted to technical aspects. Standardisation is aimed at compatibility of products and at technical progress; this will normally be to the benefit of the end user;
- Safety and health issues. CECIP has an interest in enhancing safety and health with respect to the use of the sector's products;
- Environmental issues. CECIP has an interest in enhancing protection of the environment with respect to the use of the sector's products.



CECIP European Weighing Industry

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