

KNX ASSOCIATION CVBA

INTERNAL RULES

MEMBERSHIP

1 Document History

<i>Version</i>	<i>Status / Comment</i>	<i>Date</i>
1.0	Establishing document	17.02.06
1.1	Approval by KNX Executive Board – correction of second subsection 7b to 7c – change Konnex to KNX	18.04.06
1.2	Update following Approval of KEB of new version of Internal Rules Fees on 14.02.2007	19.02.07

2 General

This document describes the membership rules of KNX Association cvba.

In the case of discrepancies between this document and the *Articles of Association*, the latter shall be the binding document.

In the case of discrepancies between this document and the *IPR License Agreement*, the latter shall be the binding document.

In the case of discrepancies between this document and the *Trademark License Agreement*, the latter shall be the binding document.

3 Scope of Membership

Entities that comply with the relevant stipulations in the Articles of Association and the Internal Rules of the Association – of which this document is a part – can become a member of KNX Association.

KNX Association actively encourages a wide degree of participation. Companies and other entities that do not comply (or do not wish to comply) with the requirements to become shareholders (see chapter 5 below) are nevertheless encouraged to join as licensees or as interested party.

In the case of member companies (i.e. legal entities) that belong to a larger company group, the following rules will apply:

- Companies that are members of KNX Association share their membership rights and respective obligations with their own subsidiaries. "Subsidiary" means a legal entity under direct or indirect control as to more than fifty percent (50%) of such entity's issued share capital or voting rights and/or the like, or under management control. Excluded however are legal entities that are a Member and legal entities under their like control.
- Companies that are members of KNX Association may NOT share their rights or obligations with other companies within the same group that are not Subsidiaries - such as parent companies.

4 Categories of Members

Members in KNX association are either

- shareholders, i.e. companies that have purchased shares at the time of becoming a member. Large companies (over 100 staff members) must purchase 10 shares, where smaller ones only one. The related fees are given in the document "Internal Rules – Fees" and the annex to the articles of the Association.

- Licensees, i.e. companies that have not purchased shares at the time of becoming a member, i.e. they are users of the KNX technology in KNX certified products and do not take part in the decision process.
- Interested Parties, i.e. companies that have not purchased shares at the time of becoming a member, do not take part in the decision process and do not have the possibility to submit products for KNX certification.

5 Joining, Resignation, Expulsion as a Member

⇒ The general procedures regulating these acts are detailed in the *Articles of Association*.

Upon joining the Association, shareholders or licensees shall forthwith enter into the following contracts with the Association:

- *IPR License Agreement*.
- *Trademark License Agreement*.

6 Membership Rights & Obligations

In addition to the statutory rights and obligations described in the *Articles of Association*, the following general rules apply:

6.1 Category Shareholders

In short, these are entitled, among other things, to the following:

- Access to all information generated, circulated and published by KNX Association.
- Access to all services provided by KNX Association – as detailed in the following chapter.
- The right to participate in working groups to define extensions to the “KNX Standard”
- Insofar as they have already entered into an *IPR License Agreement* and a *Trademark License Agreement* with the Association, they will benefit from the licenses granted thereunder.

6.2 Category Licensees

In short, these are entitled, among other things, to the following:

- Access to all information generated, circulated and published by KNX Association.
- Access to all services provided by KNX Association – as detailed in the following chapter.
- Insofar as they have already entered into an *IPR License Agreement* and a *Trademark License Agreement* with the Association, they will benefit from the licenses granted thereunder.

This type of members do not have the right to participate in working groups and are not entitled to vote at the General Assembly.

6.3 Category Interested Party

In short, these are entitled, among other things, to the following:

- Access to all information generated, circulated and published by KNX Association.
- Access to all services provided by KNX Association – as detailed in the following chapter.

This type of members do not have the right to participate in working groups, are not entitled to vote at the General Assembly and can not enter into an *IPR License Agreement* and a *Trademark License Agreement* with the Association.

6.4 Member Obligations

In short, Members have the following obligations, among other things:

- To behave in a manner compatible with the Mission and Objectives of the Association – as defined in the *Articles of Association*.
- Insofar as they are not interested party, to comply with the product conformity and certification regulations of KNX Association – as in the conformity and certification sections of the *KNX Specification Handbook*.
- To pay the annual or royalty based fees in full and in a timely manner.
- In respect of any debts incurred by KNX Association, shareholders shall have limited liability; - that is to say limited to the amount of the purchased shares and annual fees due. The same applies for licensees, where their liability is limited to the annual license fees or to the interested party, where their liability is limited to the annual member fee.
- Insofar as they have already entered into an *IPR License Agreement* and a *Trademark License Agreement* with the Association, members must comply with the terms of these agreements.

7 Services Provided to Members

As a principle, KNX Association aims at providing all the services conducted by the three legacy associations (EIBA, BCI, EHSA), whose former activities were combined into the KNX Association.

KNX Association is a profit-making organisation, of which the operation can be split into two business units, i.e. one relating to the association activities and one relating to tools activities. The former activities are covered by offering services to the members, the second activities by the licensing of the various offered KNX tools.

A. association activities:

- Promotion of the Bus Standard
- Maintenance and development of the Bus Standard
- The handbook
- Support to members for the interpretation of the Standard
- Standardisation activities
- IPR management
- Administration

B. tools activities:

- Development of KNX tools
- Sale and support of KNX tools

C. activities offered by third parties

- Conformity tests for products

The Management Board may modify the list of activities included in the membership fees - subject to ratification by the General Assembly.

8 Manufacturer ID's

Each Member except Interested Parties will be assigned on their request a "Manufacturer ID" that shall be used to uniquely identify their products.

In order to avoid Manufacturer IDs being unnecessarily assigned, (e.g. in the case of a Member that is not yet active in the market), a member shall only apply for its Manufacturer ID shortly before it intends to actually launch products on the market.

In general, each Member is assigned a single "Manufacturer ID", and all transactions between the Association and the Member are conducted with a single point of contact in the Member company.

If a Member wants its Subsidiaries to benefit from independent "Manufacturer IDs" and to have corresponding independent points of contact with the Association, then its Subsidiaries are required to pay additional license fees to cover the additional administration costs. The Member shall apply for such "Manufacturer's Subsidiary IDs" in writing.