

IFPW BY-LAWS

(Amended November 1980; July 1986; September 1990; November 1995; October 1998; October, 2000; September 2006; October 2013)

ARTICLE I: NAME

The name of the organization shall be "International Federation of Pharmaceutical Wholesalers, Inc."

ARTICLE II: OBJECTIVES

To advance the health standards of the peoples of the world by:

- promoting the common business interest of its members;
- acquiring and disseminating for use of its members and others concerned for public health such information as may prove of value to them;
- assisting in the development of more effective and efficient means of distributing pharmaceutical and health related products for the benefit of the general public;
- promoting the use of the pharmaceutical wholesale distribution channel by governments, manufacturers, suppliers and medicine dispensing entities in the distribution of drug and health related items; and
- co-operating with and contributing expertise to national and multinational organizations, both government and private, so as to promote the common business interest of its members.

ARTICLE III: MEMBERSHIP

Section 1. Classes of Members

- a) Voting Members - The voting membership of the Federation shall consist of national or regional associations of pharmaceutical wholesale companies and individual pharmaceutical wholesale organizations. Each voting member shall have one (1) vote for every US\$1,000 paid in annual dues.
- b) Non-Voting Members – There shall be two types of non-voting members:
 - Manufacturers – Multinational manufacturers of pharmaceuticals, medical devices and/or other medicinal products distributed by IFPW's voting members.
 - Service Organizations – Organizations which provide products or services which directly or indirectly benefit the pharmaceutical wholesale industry or IFPW's voting members.

Section 2. Admission of Members

Applications for admission to the Federation shall be considered by the Board of Directors, which shall be the sole and final judge of an applicant's qualifications and fitness for membership. Approval by a majority of directors is required for admission.

Each request for admission must be in the form of an appropriate application to the President at the Federation's headquarters. The application must be endorsed by a majority of directors representing the applicant's geographical area, as defined herein, prior to the Board of Directors considering the merits of the application.

Section 3. Resignation of Membership

Any member, by giving written notice, by post or electronic means, of such intention to the President at Federation headquarters, may withdraw from membership. If such written notice is not given at least six months before the end of the year, the withdrawing member shall be responsible for any dues paid or payable for that year.

Section 4. Termination of Membership

Any member may be suspended or terminated for cause. Sufficient cause for such suspension or termination of membership shall be violation of the By-Laws or any lawful rule or practice duly adopted by the Federation, or any conduct prejudicial to the interests of the Federation. Suspension or expulsion shall be by unanimous vote of the Board of Directors provided that a statement of the charges shall have been mailed by registered post or by electronic means via the Internet or facsimile to the last recorded address of the member at least sixty (60) days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place of the meeting of the Board of Directors, at which the charges shall be considered; the member shall have the opportunity to appear and present any defense against such charges before action is taken thereon.

ARTICLE IV: ORGANIZATION

The organization of the Federation shall consist of:

- the General Membership
- the General Assembly
- the Board of Directors
- the Officers

ARTICLE V: THE GENERAL ASSEMBLY

Section 1.

Representatives of voting member organizations constitute the General Assembly. The General Assembly shall have the power to receive reports and accounts and to approve actions of the Board of Directors in connection therewith.

Section 2.

The General Assembly shall meet every second year, unless waived by the Board of Directors; at the direction of the Board of Directors; or at the request of the majority of the voting members. Convening notices must be sent to the headquarters of each voting member at least sixty (60) days in advance of the meeting. The place of the meeting, the date, and agenda will be determined by the Board of Directors.

Section 3.

The General Assembly will be presided over by the Chairman, or in his absence the Vice Chairman.

Section 4.

A quorum of the General Assembly shall consist of a majority of the voting members, present or represented by proxy.

ARTICLE VI: BOARD OF DIRECTORS

Section 1.

The Board of Directors shall consist of two classes of Directors: Regional Directors and Directors-At-Large.

Section 2.

Regional Directors shall consist of eight (8) executives of voting members who hold senior positions in pharmaceutical wholesale companies or their parent companies. Two (2) directors shall be elected from each of the following four (4) geographical regions: Asia and Australia; Europe, Middle East and Africa; Latin America; United States and Canada.

Section 2.1.

Regional Directors representing a given geographical region, as defined above, shall be selected and nominated by the voting members from that geographical region.

Section 2.2.

Regional Directors shall take office after their nomination has been ratified by the General Assembly either in session or by mail ballot (post or electronic) and shall serve for a term of two years, or until a successor is duly elected and qualified.

Section 3.

Directors-At-Large shall consist of a maximum of seven (7) senior executives of pharmaceutical wholesale companies. These companies shall be Voting Members, as defined in Article III section 1 with no restrictions as to geographical region.

Section 3.1.

Directors-At-Large are selected and nominated by the Sitting Board of Directors, on a majority vote.

Section 3.2.

The number of Directors-At-Large at any given time, with a maximum of seven (7), shall be solely determined by the Sitting Board of Directors.

Section 3.3.

Directors-At-Large shall take office upon accepting their nomination and shall serve for a term of two years, or until a successor is duly nominated, elected and qualified.

Section 4.

Vacancies on the Board of Directors may be filled by the Board of Directors for the balance of the term thereof or until a Director is duly elected or appointed.

Section 5.

The Board of Directors shall meet at the time and place of the meeting of the General Assembly. The Board of Directors shall also meet at the request of the Chairman at such times and places as he may designate, or shall be called to meet upon agreement of a majority of the directors. Notice of all meetings of the Board of Directors shall be sent to each director at least thirty (30) days in advance of such meetings.

Section 6.

A majority of the Board of Directors shall constitute a quorum for any official decision of the Board of Directors. Each director has one vote. Actions of the Board of Directors shall be by majority of the directors. In case of equality of votes, the Chairman shall have an additional vote. At the request of the Chairman, votes may be recorded and decisions taken by correspondence.

ARTICLE VII: OFFICERS

Section 1.

The officers of this Federation shall be a Chairman of the Board of Directors ("Chairman"), a Vice-Chairman, a President, and other offices that the Board of Directors may deem appropriate. The Chairman and Vice Chairman shall be elected by the Board of Directors. Election shall be by ballot and a majority of the votes cast shall elect.

The President shall be appointed by the Board of Directors.

Section 2.

Each officer shall take office immediately and shall serve for a term of two years or until a successor is duly elected or appointed and qualified. Officers may be re-elected or re-appointed.

Section 3.

Vacancies in any office may be filled for the balance of the term thereof by the Board of Directors.

Section 4.

Chairman of the Board of Directors -- The Chairman shall be the chief executive officer of the Federation, and shall preside at meetings of the Federation and of the Board of Directors and shall be a member ex-officio of all committees, sections and forums. He

shall also, at meetings of the General Assembly and at such other times as he shall deem proper, communicate to the Federation or to the Board of Directors such matters and make such suggestions as may in his opinion tend to promote the welfare and increase the usefulness of the Federation, and shall perform such other duties as are incident to the office of Chairman or as may be prescribed by the Board of Directors.

Section 5.

President -- The President, under the direction of the Chairman, shall be the chief operating officer and assume full responsibility for all activities of the Federation. He shall consult freely with the Chairman and the Board of Directors on matters of policy of the Federation and on such matters he shall carry out their instructions. He shall be an ex-officio member of all standing and special committees, sections and forums. He shall supervise the collection of annual dues, membership fees and subscriptions and shall supervise the keeping of an account of all monies received and expended for the use of the Federation and shall make disbursements authorized by the Board of Directors and such other officers as the Board of Directors may prescribe. He shall see that all sums received are deposited in the bank or banks approved by the Board of Directors and shall make a report at meetings of the Board of Directors or when called upon by the Chairman. Funds may be drawn only upon the signature of the Chairman, Vice Chairman, President, the Directors or such other person or persons as the Board of Directors may designate. The funds, books and vouchers in his hands shall be subject to periodic verification and inspection of the Board of Directors. He shall prepare an annual report of the transactions and condition of the Federation; and generally devote his best effort to advancing the interests of the Federation.

Section 6.

Vice Chairman -- The Vice-Chairman shall act in the absence of the Chairman.

ARTICLE VIII: HEADQUARTERS

The headquarters of the Federation shall be designated by the Board of Directors.

ARTICLE IX: COMMITTEES

The Chairman may appoint standing and special committees, **sections and forums** as needed.

ARTICLE X: DUES OR SUBSCRIPTIONS

Section 1.

Dues, subscriptions, or other monies, which the Board of Directors finds necessary to conduct the affairs of the Federation, shall be determined by the Board of Directors and levied equitably on the members of the Federation. Payment of all monies shall be transmitted promptly on demand.

Section 2.

The Board of Directors shall arrange for an annual audit, if the Board of Directors deems it appropriate and necessary.

Section 3.

Member organizations that fail to pay their dues, subscriptions, or assessments within sixty (60) days from the time such become due shall be notified by the President of their delinquency. At the same time, the President shall notify the Board of Directors of any such delinquency for any action the Board of Directors may deem necessary.

ARTICLE XI: FISCAL YEAR

The fiscal year shall be the calendar year.

ARTICLE XII: AMENDMENTS

These By-Laws may be amended, repealed, or altered, in whole or in part, by a two-thirds vote of the General Assembly provided that a copy of the amendment proposed for consideration shall be mailed by post or by electronic means to the last recorded address of each voting member at least thirty (30) days prior to the date of the meeting, and any action taken shall be reported to each voting member. The By-Laws may also be amended by post or by electronic means with ballot returnable within 60 days.

ARTICLE XIII: LIMITATION OF LIABILITIES

Nothing herein shall constitute members of the Federation as partners for any purpose. No member, officer, agent or employee of this Federation shall be liable for the acts or failure to act on the part of any other member, officer, agent or employee of the Federation. Nor shall any member, officer, agent or employee be liable for his acts or failure to act under the By-Laws, with the exception of acts or omissions to act arising out of his willful misfeasance.

ARTICLE XIV: DISSOLUTION

The Federation shall use its assets only to accomplish the objectives and purposes specified in the By-Laws, and no part of said funds shall inure, or be distributed, to the members of the Federation or to any private individual. On dissolution and liquidation of the Federation, any assets remaining shall be distributed to one or more organizations organized and operated exclusively for charitable, educational, scientific or educational purposes and meeting the requirements of Section 501(c)(B) of the Internal Revenue Code of 1986, or any successor provision thereto selected by the Board of Directors.

ARTICLE XV: INTERPRETATION

English is the official language of the Federation.

ARTICLE XVI: EFFECTIVE DATE

The By-Laws takes effect immediately upon approval of the General Assembly.