

***CONFEDERATION OF SWEDISH ENTERPRISE***

*STATUTES*

Statutes  
of the  
Confederation of  
Swedish Enterprise

with recent amendments  
adopted at the  
Annual General Assembly  
on 19 May, 2005

NB In the event of any dispute regarding the interpretation of these statutes, the original Swedish statutes shall apply.

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## BASIC PROVISIONS

### **§1 Registered name of the Confederation**

The registered name of the Confederation is *Svenskt Näringsliv* (the Confederation of Swedish Enterprise).

### **§2 Registered office of the Confederation**

The Confederation has its registered office in Stockholm.

### **§3 Purpose of the Confederation**

The purpose of the Confederation of Swedish Enterprise is to promote the common interests of enterprise in Sweden.

For this purpose, the Confederation shall:

- unite, in one organisation, companies and associations of companies active in Swedenwork for free enterprise and a efficiently functioning market economy
- work for a broad community of interests regarding the crucial importance of private enterprise to economic growth and prosperity
- work — locally, nationally and internationally — for favourable conditions for setting up, owning, running and developing businesses
- attain cooperation in matters of joint concern to member companies and associations
- compensate for losses incurred by member companies as a result of industrial disputes, to the extent provided by these statutes.

#### **§4 Membership**

Members of the Confederation are employers' and trade associations belonging to the same. Member companies in the Confederation are companies belonging to associations that are Confederation members.

#### **§5 Member groups**

The Board may resolve that member associations that have closely related business activities or common interests in other respects shall form member groups. Before such a resolution is taken, consent shall be obtained from the member associations concerned.

#### **§6 Members' statutes**

Member associations' statutes shall contain regulations obliging every company belonging to the association to be a member company in the Confederation, and to comply with its statutes and the special agreements concluded between the Confederation and the member associations.

Member associations' statutes may not conflict with the Confederation's statutes, and shall be approved by the Confederation Board.

A cooperation agreement between a member association and a company or an association of companies outside the Confederation may not conflict with the purposes of the Confederation.

## **THE CONFEDERATION'S GOVERNING BODIES ETC**

#### **§7 Administration of the Confederation**

The Confederation's affairs are managed by the Board, the Director General and the General Assembly.

The Confederation may decide to conduct certain activities, for which member companies are obliged to pay dues, in the form of special legal entities.

#### **§8 Board composition**

The Board shall comprise, first, permanent and deputy members appointed by the member associations and, secondly, permanent members elected by the General Assembly. The Director General shall also be a permanent Board member.

A member association may appoint one permanent Board member if its member companies have, during the previous calendar year, paid dues to the Confederation amounting to at least 125 times the price base amount<sup>1</sup>; two permanent Board members if the dues paid

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<sup>1</sup> *Editor's note. The 'base amount' is a figure used in many contexts in Swedish collective and social insurance, e.g. to calculate pensions and index-linked insurance benefits. It conforms to changes in the general price level. Since 1999,*

amount to at least 250 times the price base amount; three permanent Board members if the dues paid amount to at least 500 times the price base amount; and four permanent Board members if the dues paid amount to at least 1,000 times the price base amount. If the total dues paid are less than 125 times the price base amount but at least 25 times the price base amount, the member association may appoint a deputy Board member.

A member group formed pursuant to §5 may decide that the group shall, instead, appoint the permanent members of the Confederation Board for the member associations included in the group. In this case, the member companies' total dues may be calculated per member group.

If a company is a member of more than one association belonging to the Confederation, the company's dues to the Confederation shall, in the application of paragraph two above, be divided between the associations in the manner agreed by the same. In the absence of notification concerning such agreement, the Confederation shall determine the distribution of dues on the basis of what is known about the business activities for which the company is affiliated to the association concerned.

The Confederation's Annual General Assembly elects a maximum of 12 other permanent Board members. In this election, the aim shall be for the resulting Board composition to correspond to the Confederation's structure. Permanent Board members elected by the Annual General Assembly are appointed for the period from one Annual General Assembly up to and including the next Annual General Assembly.

The Board appoints one Board member as Chairman and a maximum of three Board members as Vice Chairmen.

## **§9 Board functions**

In managing the Confederation's affairs, it is particularly incumbent on the Board to

- annually adopt a schedule for its work
- provide the Board's Executive Committee and Director General with instructions to guide their activities
- annually adopt a budget for the Confederation's income and expenditure
- examine applications for admission to the Confederation
- appoint and dismiss the Director General.

The Board may resolve to set up a special legal entity to which §7, paragraph two refers. In this case the Board shall, before the end of each financial year, decide how the percentage rates determined according to §21 shall be allocated between the Confederation and the special legal entity. The Board may, whenever called upon to do so, adjust the allocation thus determined.

The Board may appoint persons authorised to sign on the Confederation's behalf and authorise representatives to act as applicants, plaintiffs and defendants or respondents on behalf of the Confederation, and also to represent the Confederation in other respects.

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*this figure has been known as the 'price base amount', to distinguish it from the 'income base amount' which has come into effect in 2001. The price base amount for 2001 is SEK 36,900.*

**§10 Board meetings**

The Board meets when it is convened by the Chairman or Director General. Notice to attend a meeting shall be issued if it is requested by at least five permanent Board members. Deputy Board members may attend and participate in the discussions, but not in the decisions, except where a deputy member is standing in for an absent permanent member.

**§11 Board quorum**

The Board is a quorum when at least half of its members are present.

Within the Board, each permanent member has one vote.

The Board's decision shall be the opinion supported by the majority of those present and, where the voting is even, the opinion supported by the Chairman.

Board members may not participate in dealing with matters in which they have a personal interest.

Minutes of the Board meetings shall be kept. Each member who has participated in the settlement of a matter is considered to have assented to the decision noted in the minutes, unless (s)he has had a dissenting opinion recorded therein.

Exemptions from the provisions in paragraph three above are stated in §24, §26 and §27.

**§12 Board Executive Committee**

The Board appoints its own members to form an Executive Committee to deal with matters of an urgent nature and matters specially delegated to it by the Board, and to prepare business for Board meetings. The Executive Committee shall consist of the Chairman of the Board, the Director General and a maximum of 12 other Board members. The Board shall seek to attain a composition of the Executive Committee that corresponds to the Confederation's structure.

**§13 Annual Report**

For every calendar year, the Board shall submit an Annual Report. This shall be delivered to the auditors not later than on 15 April in the following year.

**§14 Audit**

To examine the Confederation's accounts and administration in general, the Annual General Assembly appoints two permanent auditors and two deputies for the same. One permanent auditor and one deputy auditor shall be authorised public accountants.

The auditors shall complete their examination of the previous year's administration and also submit their Audit Report on the same to the Board not later than on 1 May each year.

**§15 Director General**

The Director General is in charge of the Confederation's day-to-day activities in accordance with the Board's guidelines and instructions. The Director General may also, without the Board's authorisation, take measures that, in view of the Confederation's activities, are of great importance or an unusual nature, if a Board decision cannot be awaited without substantial detriment to the Confederation's activities. In such a case, the Board must be informed of the measure at the earliest opportunity.

The Director General shall ensure that the Confederation's book-keeping conforms to legal requirements and its financial administration is conducted in a satisfactory manner.

The Director General is always entitled to represent the Confederation and sign on its behalf regarding a measure that is incumbent on him or her.

### **§16           Composition of the General Assembly**

At the Confederation's General Assembly, the member associations are entitled to state their views and exercise their voting rights through their appointed representatives. Each member association is entitled to elect a maximum of ten Assembly representatives.

Assembly representatives are elected for the period from the Annual General Assembly up to and including the next Annual General Assembly.

### **§17           Annual and Extraordinary General Assembly**

The Annual General Assembly shall be held not later than in May each year, at the time and place in Sweden decided by the Board. An Extraordinary General Assembly is held when the Board deems it necessary or it is convened in writing for a specific purpose by a member association or by the Confederation's auditors.

Notice to attend the Annual General Assembly shall be sent by post at least 14 days before the Assembly to the member associations and the Assembly representatives of whom the Confederation has been notified.

For an Extraordinary General Assembly, notice to attend shall be given at least seven days before the Assembly. This notice shall specify the items of business to be dealt with at the Extraordinary General Assembly. No other business may be settled at such an Assembly.

### **§18           Agenda of the Annual General Assembly**

The following business shall be dealt with at the Annual General Assembly:

- (a) opening of the Assembly by the Board Chairman
- (b) drawing-up and approval of the list of voters
- (c) approval of the proposed agenda
- (d) election of the Chairman at the Assembly
- (e) appointment of persons to check the minutes
- (f) consideration of whether the Assembly has been convened in the due manner
- (g) presentation of the Annual Report and Audit Report
- (h) decisions concerning

- a. adoption of the income statement and balance sheet
- b. discharge of the Board members and Director General from liability
- (i) presentation of the Annual Report and Audit Report for a legal entity to which §7, paragraph two refers
- (j) decisions concerning discharge from liability of the Board members and chief executive of a legal entity to which (i) above refers
- (k) appointment of representatives of the Confederation at the annual general meeting of a legal entity to which (i) above refers
- (l) determination of remuneration for Board members except for the Director General, and for the auditors
- (m) notification from member associations entitled to appoint permanent or deputy members of the Confederation Board regarding the names of appointees
- (n) decision on the number of permanent Board members to be elected by the Assembly
- (o) election of the permanent Board members to which (n) above refers
- (p) election of permanent auditors and deputies for the same
- (q) election of the election committee
- (r) business submitted to the Assembly by the Board
- (s) business that member associations have applied in writing to the Board, not later than 30 days in advance, for inclusion on the Assembly agenda
- (t) determination of member companies' dues for the year ahead, in accordance with §21.

The Assembly shall also decide on matters which, under these statutes, shall be dealt with by the Assembly.

At least 14 days before the Annual General Assembly, the agenda to be dealt with shall be made available by the Board to the member associations and member companies. A matter not listed on the agenda may not be settled without the unanimous consent of all those present at the Assembly, unless the matter is immediately prompted by the Annual Report or Audit Report, or is immediately connected with an existing item on the agenda.

### **§19 Voting at the General Assembly**

At the Assembly, each member association has one vote for each full price base amount that its member companies have paid altogether in dues to the Confederation during the previous calendar year.

Each member association decides how its votes shall be distributed among its representatives at the Assembly.

If a company is a member of more than one association belonging to the Confederation, the company's dues to the Confederation shall, in the application of paragraph one above, be divided between the associations in the manner agreed by the same. In the absence of notification of such agreement, the Confederation shall determine the distribution of the dues on the basis of what is known about the business activities for which the company is affiliated to the association concerned.

Elections shall be held by means of secret ballot if anyone so requests. All other voting at the Assembly takes place openly.

A permanent Board member may participate in discussions at the Assembly.

With the exceptions specified in §26 and §31, the opinion for which the majority of votes have been cast shall prevail as the Assembly's decision. Where the voting is even, elections are decided by the drawing of lots. Regarding other matters, where the voting is even, the opinion on which most voters have agreed or, if the numbers of voters are equal, the opinion supported by the Chairman of the Assembly shall prevail.

## **§20 Election committee**

To prepare elections at the Assembly, the Assembly appoints an election committee comprising at least five members, of whom one shall be appointed chairman. The Assembly shall seek to attain a composition of the election committee that corresponds to the Confederation's structure.

The election committee is a quorum when at least half its members are present. The election committee's decision shall be the opinion supported by the majority of those present and, where the voting is even, the opinion supported by the chairman.

## **MEMBER COMPANIES' OBLIGATIONS**

### **§21 Dues to the Confederation**

Member companies shall pay annual dues to the Confederation and a legal entity to which §7, paragraph two refers. These dues shall be calculated in relation to the company's payroll expense, value added or other calculation basis. The Assembly shall annually determine the calculation basis, percentage rates and minimum annual dues for levying of the following year's dues.

The Board may issue detailed instructions on the calculation of the annual dues and, where there are exceptional reasons for doing so, allow a reduction in the dues.

If no documentation of the basis for calculating the annual dues is submitted within the period determined by the Board, the Board may determine the calculation basis according to what is known about the member company's business. The Board's decision on the basis for calculating dues applies with effect from 1 January of the year in which its decision is taken. The member company shall be notified of the decision.

The surplus from annual dues received by the Confederation after its administrative costs and other expenses for the Confederation's purposes have been met is transferred to the Confederation's insurance reserve.

### **§22 Information from member companies**

Member companies are obliged, in addition to their obligations under §21, to provide the information requested by the Board within the scope of the Confederation's activities.

## **MEMBERS' COOPERATION**

### **§23 Cooperation**

The Confederation shall, in cooperation with its member associations, actively support the same in matters of joint interest. In such matters, member associations shall keep the Confederation continuously informed and, if the matter is of particular importance, engage in consultations with the Confederation.

## **EMPLOYERS' ISSUES**

### **§24 Negotiation procedure**

A member association that, under its statutes, shall represent employers' joint interests shall keep the Confederation continuously informed of issues that are particularly important in the relationship between employers and employees. If such an association engages in collective bargaining, it shall consult with the Confederation concerning essential issues that arise in connection with these negotiations. Member companies are correspondingly obliged to inform, and engage in consultations with, their respective associations.

In matters of essential general interest or particular importance in the relationship between employers and employees, the Confederation Board may issue instructions concerning the content of collective agreements and concerning procedure in other respects. Board members other than those representing associations to which paragraph one above refers may not take part in the Board's decisions.

In the course of a strike or lockout, member companies may not directly or indirectly, in contravention of the Board's decision, provide work for or otherwise support employees affected by the industrial action.

### **§25 Procedure in the event of strike**

If a strike is imminent or has broken out in a company belonging to an association to which §24, paragraph one refers, the company shall notify the association concerned of the matter without delay. The association shall assist the company in averting or settling the strike. The association shall notify the Confederation Board in a corresponding manner without delay.

### **§26 Lockout procedure**

If the question of imposing a lockout arises in an association to which §24, paragraph one, refers, the association shall engage in consultations on the matter with the Confederation. The Confederation Board shall promptly obtain statements from other such associations whose member companies may come to be indirectly affected by the lockout.

The Confederation Board shall thereafter decide whether to approve the lockout for compensation under §27 and, where applicable, issue instructions under §24, paragraph two. For a decision to instruct the association that no lockout may be undertaken, at least two-thirds of the Board members present must agree on the decision.

Should a member company in an association to which §24, paragraph one refers deem that it should impose a lockout, the company shall notify its association to this effect, stating the reasons for doing so and the scale of the proposed lockout. The association shall without delay notify the Confederation correspondingly, stating whether it considers the lockout justifiable. Thereafter, having heard the opinion of the member group concerned, if the company belongs to such a group, the Confederation Board shall decide whether to approve the lockout.

If the Confederation Board has withheld such approval, a member association or member company affected by the matter may request that the case be referred for settlement to the General Assembly.

Board members or Assembly representatives other than those representing associations to which §24, paragraph one refers may not participate in the Board's and General Assembly's decision under paragraphs two, three and four above.

A decision to approve a lockout must specify which member companies and which groups of their employees are to be included in the lockout. If a lockout has been approved by the Board or by the General Assembly, the member association and member company concerned are obliged to comply with the lockout decision.

## **§27 Compensation for industrial disputes**

**Clause 1** In the event of a strike or other industrial action undertaken by employees against a company belonging to a member association to which §24, paragraph one refers, the company is, pursuant to the provisions below, entitled to obtain compensation for loss incurred owing to the industrial action.

This compensation is granted by the Board with reference to the importance of the matter in employer-employee relations, the obligation to provide information and engage in consultations under §24, paragraph one, and what the Confederation's financial resources permit. Board members other than those representing an association to which paragraph one above refers may not participate in the Board's decision.

In this connection, as far as possible, the compensation should be determined in relation to the direct loss that the member company has incurred as a result of the dispute and could not reasonably have avoided.

There is no entitlement to compensation if the industrial action commenced earlier than three months after the company's admission to the Confederation. However, the Board may, where there are particular reasons for doing so, approve payment of compensation even in such a case.

**Clause 2** On the same grounds, a member company may receive compensation for a lockout or other industrial action that is approved by the Confederation Board or the General Assembly. However, in the event of such industrial action, compensation is payable even if the industrial action commenced less than three months after the company's admission to the Confederation.

**Clause 3** If the member company is not granted compensation under the provisions of clauses 1 and 2, it is entitled in the event of a strike, under the provisions specified below, to compensation for loss incurred from the cancellation of work. The compensation rate shall be 0.06 per cent of the company's payroll expense during the previous calendar year, for each working day that falls during the strike. However, compensation is not payable in the event of a strike that commences in the member company less than three months after the company's admission to the Confederation.

In the event of a strike by all the staff employed at the member company, the compensation payable is the entire sum thus determined. If only certain employees participate in the strike, the compensation payable is the proportion of the aforesaid sum that corresponds to the share of the entire workforce made up by the strikers.

On the same grounds, compensation shall be paid to a member company for a lockout approved by the Confederation Board or General Assembly. In the event of such a lockout, however, compensation is payable to the member company even if the industrial action commences less than three months after the company's admission to the Confederation.

If the strike or lockout has not lasted more than one working day, compensation is not payable under this clause. A strike is deemed to have started on the day when the member company notifies the Confederation or its association that the strike has broken out.

**Clause 4** The Confederation is not obliged to pay compensation for any loss resulting from industrial action if the member company has refused to take the measures required by the Board or General Assembly to avert or suspend the industrial action, or if the company has otherwise acted improperly.

**Clause 5** In the event of general stoppages of work or when the Confederation's financial position so requires, the General Assembly is entitled to decide that compensation for a member company shall be reduced or discontinued. Persons other than those representing an association to which §24, paragraph one refers may not participate in the Assembly's decision.

**Clause 6** If a member company fails to pay its dues to the Confederation by the due date, the company loses all entitlement to compensation for loss resulting from a strike or lockout that commences after the due date and before the dues owed have been paid in full.

## **TERMINATION, STATUTORY AMENDMENT, ETC**

### **§28 Sanction against contravention of statutes and decisions**

If a member association or member company has wilfully contravened the provisions of §24 or §26, or instructions issued pursuant to §24, the member association or member company shall pay to the Confederation damages in the amount determined by the Confederation. The amount of damages may, for a member company, be set at a maximum of 3 per cent of the company's payroll expense during the previous calendar year. For a member company with an annual payroll expense of less than SEK 1,000,000, the maximum amount of damages that may be set is SEK 30,000.

Decisions concerning damages are taken by the Board. The Board may refer such a case to the General Assembly for settlement.

The Board may, with immediate effect, terminate the membership of a member company that has, in the manner specified above, contravened the statutes or instructions issued pursuant to the same, or who has not paid the annual dues as provided in §21 by the due date.

### **§29 Arbitration board**

Any dispute between a member association or member company on the one hand and the Confederation on the other shall be settled by three arbitrators under the current Arbitration Act. However, if no agreement can be reached on the appointment of the third arbitrator, this arbitrator shall be appointed in accordance with the regulations for the Arbitration Institute of the Stockholm Chamber of Commerce.

Unless it decides otherwise, the arbitration board shall hold its meeting in Stockholm.

### **§30 Notice of termination**

An association's membership ceases at the year-end following a lapse of six months after the date on which notice of termination was given. Notice of termination may be given by both a member association and the Confederation Board, and shall be given in writing.

A company that ceases to belong to a member association simultaneously ceases to be a member company in the Confederation.

An association that ceases to be a Confederation member or a company that ceases to be a member company is not entitled to receive any of the assets in the Confederation.

### **§31 Statutory amendment**

To amend these statutes or dissolve the Confederation, a decision to this effect must be taken at two consecutive General Assembly sessions, the second taking place at least one month after the first, and the decision at the later Assembly session must be supported by at least three-quarters of the votes cast. One of these Assembly sessions shall be an Annual General Assembly.

### **§32 Liquidation**

In the event of a decision to dissolve the Confederation, the residual assets after payment of liabilities shall be distributed among all the companies that, at the date of its dissolution, are member companies in the Confederation, in proportion to the total amount of annual dues paid in by each of the companies over the past ten years.