

MEMBER TOWN HALL

SEPTEMBER 9, 2020



This Town Hall is intended to provide an update to all members on the transition of Eclipse Foundation to be a European-based organization.

- **What are the changes being made?**
- **What is the impact to members?**
- **What actions are required from members?**
- **Where can members find out more?**
- **Answer any questions**

Send questions to Twitter @EclipseFdn or via Crowdcast chat box

Enabling Global Collaboration on Open Source Innovation

On May 12, 2020, we announced the Eclipse Foundation is moving to Europe.

As a European-based organization based in Brussels, Eclipse Foundation AISBL will grow the worldwide Eclipse ecosystem and advance strategic open source projects with global impact.

Big Picture - Why Are We Moving to Europe?

- 70% of our paying members are based in Europe
- 70% of our committers are based in Europe
- 1/3 of our staff is based in Europe
- We are already the largest open source foundation in Europe based on number of staff, projects, and members
- We've been operating a subsidiary in Europe for 7 years
- Our activities in European research programs are successful and well-regarded
- Europe requires an open source foundation of international reach and reputation and ***by becoming that organization the Eclipse Foundation can increase its global impact***
- This transition to Europe has been backed unanimously by the Strategic members of the Foundation

Big Picture - Key Steps to Enact this Transition



- Create new Belgian-based International Not for Profit
 - Filed new incorporation documents with the Belgian authorities
 - New Bylaws and Membership Agreement
 - Bylaws stipulate that we will continue to comply with US 501(c)6 requirements
 - Waiting for Royal Decree - required to create an International Not-for-Profit
 - We expect the process to be finalized by early-to-mid October
 - Will result in a new corporation - **Eclipse Foundation AISBL**
- Update the existing Eclipse Foundation, Inc. governance to align with the Belgian organization
 - Revise the Bylaws and Membership Agreement
 - These have been approved by the Board, and now need approval of all members
- Have our members transition their membership from Eclipse Foundation, Inc. (EF-US) to Eclipse Foundation AISBL (EF-BE)
 - Members will be asked to execute a new Membership Agreement, Working Group Participation Agreements, and Committer Agreements (ICA, MCCA)

Key Changes in Governance: Fee Structure

- The Board (including all of our Strategic Members) have unanimously approved changes to the membership fees
 - The fee will change from **being stated in USD to stated in Euros**
 - e.g., if your fee is currently \$20,000, it will now be 20.000€
 - Change is **effective October 1**
 - As this is an increase, the **fee will be discounted 10% for the period October 2020 - September 2021** for existing members
- Both **Eclipse Foundation, Inc. (EF-US)** and **Eclipse Foundation AISBL** will have identical fee structure
- NOTE: There are **no changes to Working Group fees** associated with the transition to Europe - these will remain in USD
 - Individual working groups may revisit their fee structures, including currency, beginning in 2021 - but there is no need to change
- This is the first fee change in more than a decade, and is intended to truly reflect Eclipse Foundation is European-based

Key Changes in Governance: Membership Classes

- We are streamlining and realigning the membership classes
- There are now only 4 classes of membership

Existing Class(es)	New Classes
Strategic Developer, Strategic Consumer	Strategic
Enterprise	removed
Solutions	Contributing ← NEW NAME!
Associate	Associate
Committer	Committer

- Solutions members are now referred to as Contributing member to better reflect their contributions to the Eclipse community

Key Changes in Governance: Membership At-Large

- Belgian law requires that the Membership At-Large, or General Assembly as it is referred to in the new Bylaws, has additional rights and responsibilities
- General Assembly - key rights
 - Must approve any changes to the bylaws and membership agreement (SAME AS TODAY)
 - Must approve the annual budget (NEW)
 - Must approve the selection of auditor and acceptance of the auditors report (NEW)
 - Must ratify the appointments of Board members (NEW)
- As a result, we anticipate having more frequent meetings of the General Assembly (likely twice per year) rather than the one per year we currently have (during EclipseCon)
 - Votes regarding the approvals listed above will be held at these (usually virtual) meetings
 - Electronic proxies are acceptable and will be encouraged for those who cannot attend

Key Membership Rights/Benefits Re. Governance

Benefit	Strategic	Contributing	Associate	Committer
Representation on Board of Directors	Appointed	Elected representation	None	Elected representation
Vote on Foundation budget, audited financial statements	Board representative has vote Member has vote in General Assembly	Elected representative on Board has vote Member has vote in General Assembly	None	Elected representative on Board has vote
Vote on changes to IP Policy, Eclipse Development Process, etc.	Board representative has vote	Elected representative on Board has vote	None	Elected representative on Board has vote
Vote on changes to the Bylaws and membership agreement	Board representative has vote Member has vote in General Assembly	Elected representative on Board has vote Member has vote in General Assembly	None	Elected representative on Board has vote
Participate in meetings of the membership at-large / general assembly	Voting participation in meetings	Voting participation in meetings	Non-voting participation in meetings	Non-voting participation in meetings

Additional Change to Eclipse Foundation US' Bylaws

- For the time being, the two organizations (Eclipse Foundation Belgium and Eclipse Foundation US), will have **separate Boards of Directors, separate Bylaws, separate policies**, etc.
- The goal is to keep these organizations aligned
- To do so, **Eclipse Foundation Belgium will become a member of Eclipse Foundation US**
 - Will enable Eclipse Foundation Belgium to have seats on the Eclipse Foundation US
 - Support keeping the two organizations aligned
 - Ensure governance continuity as the number of members in the Eclipse Foundation US declines
- The Eclipse Foundation US' Bylaws are adding a new class of membership just for Eclipse Foundation US called **"Strategic Foundation member"**
- This governance mechanism supports and protects the not-for-profit status of both organizations while meeting the strategic goals of the transition of governance to Europe

Changes to the Membership Agreement



- The Membership Agreement for Eclipse Foundation AISBL is a new agreement that members will be asked to execute, beginning in October
- However, the Eclipse Foundation US' Membership Agreement must be updated to
 - Changed to reflect the new classes of membership
 - We made a significant effort to simplify and shorten the membership agreement
- Requires both Board approval (already done) as well as the Membership At-Large



So What's Not Changing - Board Representation

- Governance structure, other than those key changes listed, remain
 - Elected representatives on the Board for Committer and Contributing (Solutions) members
 - The existing representatives will serve as we stand up Eclipse Foundation AISBL until elections are held in 2021
 - The Board and its committees remain essentially the same, with a few changes to how committees are appointed and report to the Board

So What's Not Changing - Organization

- The Eclipse projects and working groups are unaffected by the changes
- The EMO, including Eclipse Foundation staff and Architecture Council, remain the same
- The rights and benefits of Affiliated organizations (i.e., two companies with a related ownership structure) to participate in the Foundation remains unchanged
- Existing policies (IP Policy, Antitrust Policy) remain unchanged (based on recent updates)
- Existing processes (Eclipse Development Process, Specification Process, Working Group Process) remain unchanged
- All of the Eclipse Foundation staff remain in place
 - Largely based in Canada and throughout Europe



Approval of Bylaws and Membership Agreement Changes

To enact the proposed changes, and to enable the transition to be completed the existing Eclipse Foundation, Inc. Bylaws and Membership Agreement changes must be approved

A vote of the Membership At-Large will be held: August 31 - September 29, 2020

We urge all members, including Company Reps from our Strategic and Solutions members, as well as all Committer members, to vote and support these changes

Ballots will be distributed automatically on August 31

- If you don't receive one and believe you should have, contact emo@eclipse-foundation.org

Additional Changes in Governance Documents



- Our key agreements are all being updated to reflect the change in domicile
- Asking members to re-execute these when they update their membership agreement
 - Committer Agreements
 - Individual Committer Agreement
 - Member Committer and Contributor Agreement
 - Additional enhancement to eliminate the requirement to list current committers at the time of execution. Simpler, and more amenable to electronic signatures.
 - Working Group Participation Agreement(s)
- The Eclipse Contributor Agreement (“ECA”) will be updated to reference our new Belgian legal entity. However, existing ECAs will continue to be effective



Summary: What is the Impact to You?



- Beginning August 31, all members are asked to vote to enact the new US Bylaws and Membership Agreement
- Beginning in October, all members will be required to update their Membership Agreement and related other agreements.
 - You will be asked to join Eclipse Foundation AISBL, and to resign your membership in the existing US organization.
 - At the same time, we will be asking you to re-execute your Member Committer and Contribution Agreement (MCCA) and any Working Group Participation Agreements
- All members renewals beginning October 1, 2020 will now be stated in Euros
 - Fees will be discounted by 10% for the first renewal
 - Working group fees are unaffected, and will remain in USD



What is the Impact to You? Committer Members

- There are no changes to the Eclipse Development Process, or any of the supporting processes and infrastructure
- You are asked to vote on the changes to the Bylaws and Membership Agreement
- If you are an individual Committer Member (i.e., you do not work for a Member company), you will be asked to execute the new Belgian Membership Agreement.
- If you have previously executed a committer agreement with the Eclipse Foundation as an individual, then you will need to re-execute the new version of the Individual Committer Agreement.
- If you are an employee or consultant of a Member company who has executed a Member Committer and Contributor Agreement (MCCA), your employer will be asked to execute the new MCCA, and no actions will be required on your part.
- Your elected representatives on the Eclipse Board will remain as they are today

Questions?



- Refer to the EF AISBL Membership Frequently Asked Questions here: eclipse.org/europe/aisbl_membership_faq.php
- Please send an email to eclipse-europe@eclipse.org



When is this Happening?



- **August 31, 2020:** Voting begins on approving the necessary changes to the Eclipse Foundation, Inc. (EF-US) Bylaws and Membership Agreement. Voting will go until September 29th. The new EF-US Bylaws and Membership Agreement will go into effect as soon as practicable after the completion of the membership vote.
- **October 1, 2020:** The new dues structure stated in euros will go into effect. Renewals for existing members will receive a 10% discount for the following twelve months.
- **Soon after the Royal Decree which legally establishes the Eclipse Foundation AISBL (on/by mid October),** we will be contacting all of our members and committers to update their agreements with the new Belgian entity.





Are you ready to join the Eclipse Foundation AISBL?

To get started or to learn more, visit eclipse.org/europe
or email us at membership@eclipse.org



Thank you!