



Hutnicza Izba Przemysłowo-Handlowa
Polish Steel Association

STATUTE

of Polish

Steel Association

Katowice, May 2007

STATUTE OF THE POLISH STEEL ASSOCIATION

Registered on 27.08.1991 by the District Court in Katowice, ul. Warszawska 45
File number : IG/11/91

Chapter I

General Provisions.

Article 1

The Polish Steel Association, hereinafter referred to as the Association, is an organisation of economic self-government associating enterprises from the metallurgical sector, from cooperating sectors and institutions related to metallurgy, carrying out operations in the area of Association activity. This business may include manufacturing, trade, services, etc.

Article 2

The Association has got a status of a legal person and acts on the basis of the Act on Associations of Commerce and Industry of 30 May 1989 (Dz.U. [Official Journal] No 35, item 195) and on the basis of provisions of this Articles of Association.

Article 3

The office of the Association is located in Katowice.

Article 4

The area of Association activity covers the territory of the Republic of Poland.

Article 5

The Association may be associated in national and foreign organisations of a similar character of activity.

Chapter II

Objectives and tasks of the Association

Article 6

Objectives and tasks of the Association include:

- 1.** Representation of economic interests of associated members in the field of their manufacturing, trade and service activity at bodies of state, territorial self-government and economic self-government organisations authorities, both domestic and foreign.
- 2.** Formation and dissemination of principles and standards of fair behaviour in business activity
- 3.** Expression of opinions on draft solutions related to operation of the economy, participation in preparing bills of legal acts in this field and performing assessments of operation of legislation related to the economy.
- 4.** Organisation and assessment of the course of members co-operation in the field of their economic activity to achieve common economic benefits.
- 5.** Research and analysis of supply and sales territories.

6. Organisation and co-operation at working out plans of sectors modernisation and restructuring.
7. Organisation of assistance for members of the Association in solving economic and organisational-legal problems connected with undertaking and performing business activity by them.
8. Carrying out promotional activity in international trade for the benefit of members and providing assistance in starting relationships with foreign partners.

Article 7

The Association pursues its objectives and tasks resulting from the Articles of Association by:

1. Co-operation in creating conditions promoting development of sectors business life and supporting members business initiatives.
2. Participation of its representatives in the work of advisory-consultative institutions.
3. Organisation and creation of conditions to settle disputes between members by means of amicable or conciliatory proceedings.
4. Carrying out actions connected to authentication of documents, issuing certificates and statements according to international conventions and trade practices.
5. Running a bank of economic information.
6. Establishing foundations to support business initiatives of sectors.
7. Supporting the development of vocational training.
8. Performing publishing and training activities.
9. Performing organisational, legal, technical and economic consulting, working out experts' opinions, providing consulting and marketing research.
10. Carrying out business aimed at finding funds supporting the accomplishment of statutory objectives. This business may comprise in particular:
 - a- publishing books, brochures, folders;
 - b- publishing calendars;
 - c- publishing magazines and periodicals;
 - d- creating and developing databases;
 - e- R&D work in the field of: metallurgy, power industry, environmental engineering;
 - f- R&D work in the field of environmental protection;
 - g- R&D work in the field of: organisation and management, economic statistic;
 - h- carrying out market and public opinion surveys;
 - i- advertising;
 - j- organisation of fairs, exhibitions, conferences and congresses;
 - k- other forms of training, not classified elsewhere.

Chapter III

Members and their rights and duties.

Article 8

Any entity carrying out business, defined in Article 1, in the area of Association activity, institutions related to metallurgy, foreign entities of similar nature as well as associations of businessmen as collective members may be members of the Association.

Article 9

1. Decisions on including among the members are made by the Board of the Association upon consideration of application of the interested entity.
2. An interested business entity applying for membership of the Association shall submit a membership declaration, a document stating the legal status of the entity and shall undertake to pay membership fees and the registration fee.

Article 10

1. A member of the Association who is a natural person performs his rights and duties either personally or by proxy.
2. A member of the Association who is a legal person is represented in the Association by a natural person authorised to represent that legal person, delegated by a body of the legal person authorised for that.

Article 11

Members of the Association are vested the following rights:

1. active and passive electoral rights to Association bodies;
2. participation in all forms of Association activities;
3. using all forms of Association assistance.

Article 12

A member of the Association has got a duty of:

1. observance of the provisions of the Articles of Association and resolutions of Association authorities;
2. participation in performing objectives and tasks resulting from the Articles of Association of the Association;
3. observance of the principles of professional ethics and good mercantile customs;
4. taking care of the Association good reputation by actions and attitudes;
5. regular paying of membership fees.

Article 13

The suspension of Association membership.

1. The Council of the Association in agreement with the Board, upon a written motion of an Association Member, may suspend its membership for a period not longer than two years.
2. The suspension may occur only for important, justified and documented in writing reasons, existing on the side of the Association Member.
3. In the case of suspension, the Association Member is not obliged to pay the membership fee.
4. A suspended Association Member is deprived of membership rights, excluding passive participation in the General Meeting of Members.
5. A suspended Association Member cannot use free-of-charge services of the Association.

Article 14

The membership of the Association ceases:

1. As a result of cancellation on the date of valid expiration of the permit for performing a business activity or quitting this activity or cancelling an entry from appropriate registers;
2. As a result of a written notice of Association membership termination, with the elapse of a 3 month period of notice, which starts on the 1st day of the month following the month, in which a member of the Association handed in the notice to the Board of the Association.
3. On the date when the decision on exclusion from the members of Association becomes final.

Article 15

1. Taking the membership away by exclusion from the members of Association may occur at the Board motion obtained by the Council of the Association, if a member:
 - a/ performs activity contrary to the principles of ethics or good mercantile customs;
 - b/ breaches the duties of a member of the Association;
 - c/ does not pay membership fees for a period of at least 3 months.
2. Business entities are vested right to file an appeal from this decisions within 6 weeks since the date of its receiving together with the reasons. The appeal shall be heard by the nearest General Meeting.

Chapter IV

Bodies of the Association.

Article 16

Bodies of the Association include:

1. General Meeting of Members of the Association,
2. Council of the Association,
3. Board of the Association.

Article 17

1. The bodies of the Association may consist only of natural persons, members of the Association, or natural persons representing members of the Association who are legal persons.
2. A natural person who is a member of bodies of the Association, representing a legal person – member of the Association, in the case of committing an offence or committing acts specified in Article 14, clause 1 “a” and “b” of the Statutes or losing the mandate to represent the legal person – member of the Association, loses the right to be a member of bodies of the Association. A legal person – member of the Association represented by this person to replace him/her shall delegate another person who will be a member of a body of the Association till the nearest General Meeting.
3. In the case of losing membership on the basis of Article 13 or Article 14 a natural person, representing a legal person or being a business entity who is a member of a body of the Association, loses the right to be a member of that body and another person is co-opted to replace him/her from the election list to the appropriate body of the Association.
4. By-elections shall be performed during the nearest General Meeting.
5. If the composition of an Association body is reduced to the extent that it makes its proper operation impossible, the Board of the Association, and if it is not possible, the President of the Council of Association, shall immediately convene the General Meeting to supplement the bodies composition.
6. The number of co-opted members cannot exceed 1/3 of the number of elected members.

Article 18

1. The term of office of bodies of the Association amounts to 3 years.
2. Elections to authorities of the Association are carried out by secret ballot. A dismissal of a member of authorities is carried out also by a secret ballot.
3. Mandates of Members of the Board and of the Council of the Association expire on the day of the General Meeting that ends the term of office.

Article 19

General Meeting

General Meeting is the highest authority of the Association.

1. General Meeting is convened by the Board of the Association and takes place annually, at the very latest in June.
2. Board of the Association notifies members of the Association of the place, the date and the agenda of the meeting at least 21 days before the date of the General Meeting. At the same time the materials prepared for the General Meetings are to be made available for inspection in the office of the Board.
3. Members' motions on amendments and supplements in the agenda shall be lodged to the Board of the Association at the very latest 14 days before the date of the General Meeting.
4. If the agenda has been supplemented according to the procedure specified in clause 3 the Board notifies members of the Association of supplementing the agenda at least 10 days before the date of the General Meeting.

Article 20

1. Extraordinary General Meeting may be convened by the Board of the Association on its own initiative, at the request of the Council of the Association or at a written motion of at least 1/10 of members of the Association.
The General Meeting convened by the Board of the Association at the request of the Council or Members of the Association shall take place within two months from the motion receipt by the Board of the Association.
2. The Council of the Association has got the right to convene an ordinary General Meeting if it has not been convened by the Board of the Association in the time specified in the Articles of Association as well as an Extraordinary General Meeting whenever it deems it appropriate and the Board of the Association does not convene a General Meeting within two weeks since lodging a motion to convene it.
3. Resolutions of the General Meeting may be passed only on the issues included in the agenda, determined and announced according to the procedure specified in Article 18 – subject to provisions of clause 4.
4. Matters not included in the agenda may be the subject of resolutions of the General Meeting only in the case, if they refer to members of the Association authorities or to convening an Extraordinary General Meeting.
5. Provisions of Article 18, clause 2 – 4 shall be used accordingly.
6. The General Meeting may pass a resolution on cancelling an item from the agenda by a simple majority of votes.

Article 21

1. Members of the Association attend a General Meeting in person or by authorised representatives.
2. The President of the Board of the Association attends a General Meeting in an advisory capacity.
3. Each member of the Association has got one vote in a General Meeting.
4. In the case of organisational changes consisting in a merger of two or more Association Members into a new business, at the moment of transformation this business becomes an Association Member having at its disposal the number of votes in the General Meeting corresponding to the sum of votes before the merger.
5. In the case referred to in clause 4 the member fee shall sum up.

Article 22

1. General Meeting convened in the first term is valid, if attended at least by 50% of members of the Association.
2. General Meeting may convene in the second term determined by the body convening the General Meeting in the announcement on convening it irrespective of the number of attending it members of the Association.
The second term may be at least 7 days after the first term.
3. Resolutions of a General Meeting are passed by an absolute majority of cast votes.

Article 23

The competence of a General Meeting includes:

1. passing the Articles of Association of the Association and its amendments;
2. passing regulations of the Association authorities election and standing orders of the General Meeting;
3. approving regulations of the Council of the Association and of the Board of the Association;
4. electing and dismissing members of the Council of the Association and of the Board of the Association;
5. setting directions and passing programs of Association activities;
6. approving the annual budget of the Association and defining the highest amount of liabilities that may be incurred by the Association;
7. approving the reports of the Board and of the Council of the Association and approving the accounting balance-sheets;
8. acknowledgement of fulfilment of duties of the Council and of the Board of the Association;

9. passing resolutions on associating the Association in the National Association of Commerce;
10. disposing separated business entities;
11. disposing real estate;
12. setting the amount of membership fees and the amount and principles of paying the registration fee;
13. setting principles of remuneration of members of the Council of the Association and of the Board;
14. hearing appeals of members of the Association from decisions on excluding;
15. passing resolutions on other matters resulting from the Articles of Association.

Council of the Association

Article 24

1. Council of the Association consists of 5 – 9 persons elected by General Meeting.
2. Council of the Association elects from its members a President and a Vice-President and a Secretary.
3. Representative of the Council of the Association may participate in meetings of the Board of the Association in an advisory capacity.
4. The Council of the Association may delegate one of its members to fulfil the duties of a member of the Board of the Association, if a member of the Board has resigned from the post or has been suspended in Board member rights, till the Board composition is supplemented by the General Meeting.
5. The Council of the Association operates based on HIPH Council By-laws.

Article 25

The competence of the Council of the Association except for the issues specified in the Articles of Association includes:

1. Determining principles of financial management of the Association.
2. Performing quarterly and annual inspection of financial management of the Association;
3. Issuing opinions on the Association budget.
4. Presenting to General Meeting conclusions and observations in respect to the Association activity.
5. Presenting to General Meeting reports on inspections of the Association activity together with conclusions on acknowledgement of fulfilment of duties of the Board of the Association.
6. Giving consent for:
 1. purchasing real estate;
 2. establishing, acquiring, leasing business entities and granting on them the right to usufruct;
 3. submitting motions to change the budget of the Association.
7. Suspending members of the Board of the Association.
8. Concluding contracts of employment with members of the Board of the Association.

Article 26

The Council of the Association acts on the basis of Regulations approved by a General Meeting, that specify its organisation and the way of performing activities.

Board

Article 27

1. The Board manages the activity of the Association and represents it outside.
2. The Board operates based on HIPH Board By-laws.
3. The Board makes all decisions not reserved to other bodies by the Articles of Association.

Article 28

1. The Board of the Association shall consist of one to three persons.
The General Meeting shall determine the number of Board members in a given term of office.
2. The General Meeting shall appoint the President of the Board and at his/her request the other Board members.

Article 29

1. On behalf of the Association declarations of will are made by two members of the Board, including President of the Board and one of Vice-Presidents.
2. The current activity of the Association is managed by the President of the Board.

Article 30

1. The General Meeting may dismiss a Board member based on its own initiative, upon a motion of the Council of the Association or as a result of resigning by a Board member.
2. The President of the Board is entitled to submit a motion to dismiss the other Board members, having consulted the Council of the Association in this respect.
3. A member of the Board cannot have another contract of employment without the consent of the Council of the Association.

Article 31

1. According to requirements the Board may appoint ad hoc or permanent problem committees that constitute auxiliary bodies of the Council at working out and performing specific tasks.
2. The way and principles of appointing committees referred to in clause 1 are determined by Regulations passed by the Board.

Chapter V

Financial management and property of the Association.

Article 32

The property of the Association consists of goods movable, real estate, cash and all property rights.

Article 33

The property of the Association originates, inter alia, from:

1. membership and registration fees;
2. subsidies, donations, inheritances and legacies;
3. revenue on activity resulting from the Articles of Association;
4. revenue on performed business activity of the Association;
5. income from the property of the Association.

Article 34

1. The amount of annual membership fee is decided by a General Meeting at the motion of the Council of the Association.
2. The fee may be paid in advance in two equal instalments – by 31 January and by 31 July.

Article 35

Detailed principles of financial management of the Association are set by the Board of the Association.

Chapter VI

Amendment of the Articles of Association and dissolution of the Association.

Article 36

1. A resolution on amendments of the Articles of Association or on dissolution of the Association may be passed by a General Meeting by a majority of 2/3 of votes cast at the presence of at least a half of authorised to vote.
2. In the second term the aforementioned resolution may be passed irrespective of the number of the present members.
3. The resolution on dissolution of the Association shall specify the way of performing liquidation and the purpose, for which the property of the Association shall be used.
4. The General Meeting after passing the resolution on dissolution of the Association shall appoint a liquidator to carry out liquidation proceedings according to binding regulations.

Katowice, May 2007



HUTNICZA IZBA PRZEMYSŁOWO-HANDLOWA

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Chapter IV

Bodies of the Association.

Article 16

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2. Council of the Association,
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3. In the case of losing membership on the basis of Article 13 or Article 14 a natural person, representing a legal person or being a business entity who is a member of a body of the Association, loses the right to be a member of that body and another person is co-opted to replace him/her from the election list to the appropriate body of the Association.
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5. If the composition of an Association body is reduced to the extent that it makes its proper operation impossible, the Board of the Association, and if it is not possible, the President of the Council of Association, shall immediately convene the General Meeting to supplement the bodies composition.
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3. Resolutions of the General Meeting may be passed only on the issues included in the agenda, determined and announced according to the procedure specified in Article 18 – subject to provisions of clause 4.
4. Matters not included in the agenda may be the subject of resolutions of the General Meeting only in the case, if they refer to members of the Association authorities or to convening an Extraordinary General Meeting.
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The second term may be at least 7 days after the first term.
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Article 23

The competence of a General Meeting includes:

1. passing the Articles of Association of the Association and its amendments;
2. passing regulations of the Association authorities election and standing orders of the General Meeting;
3. approving regulations of the Council of the Association and of the Board of the Association;
4. electing and dismissing members of the Council of the Association and of the Board of the Association;
5. setting directions and passing programs of Association activities;
6. approving the annual budget of the Association and defining the highest amount of liabilities that may be incurred by the Association;
7. approving the reports of the Board and of the Council of the Association and approving the accounting balance-sheets;
8. acknowledgement of fulfilment of duties of the Council and of the Board of the Association;

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14. hearing appeals of members of the Association from decisions on excluding;
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Council of the Association

Article 24

1. Council of the Association consists of 5 – 9 persons elected by General Meeting.
2. Council of the Association elects from its members a President and a Vice-President and a Secretary.
3. Representative of the Council of the Association may participate in meetings of the Board of the Association in an advisory capacity.
4. The Council of the Association may delegate one of its members to fulfil the duties of a member of the Board of the Association, if a member of the Board has resigned from the post or has been suspended in Board member rights, till the Board composition is supplemented by the General Meeting.
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2. The General Meeting shall appoint the President of the Board and at his/her request the other Board members.

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1. According to requirements the Board may appoint ad hoc or permanent problem committees that constitute auxiliary bodies of the Council at working out and performing specific tasks.
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Chapter V

Financial management and property of the Association.

Article 32

The property of the Association consists of goods movable, real estate, cash and all property rights.

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1. membership and registration fees;
2. subsidies, donations, inheritances and legacies;
3. revenue on activity resulting from the Articles of Association;
4. revenue on performed business activity of the Association;
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2. The fee may be paid in advance in two equal instalments – by 31 January and by 31 July.

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Detailed principles of financial management of the Association are set by the Board of the Association.

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Amendment of the Articles of Association and dissolution of the Association.

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1. A resolution on amendments of the Articles of Association or on dissolution of the Association may be passed by a General Meeting by a majority of 2/3 of votes cast at the presence of at least a half of authorised to vote.
2. In the second term the aforementioned resolution may be passed irrespective of the number of the present members.
3. The resolution on dissolution of the Association shall specify the way of performing liquidation and the purpose, for which the property of the Association shall be used.
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Katowice, May 2007



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Hutnicza Izba Przemysłowo-Handlowa
Polish Steel Association

STATUTE

of Polish

Steel Association

Katowice, May 2007

STATUTE OF THE POLISH STEEL ASSOCIATION

Registered on 27.08.1991 by the District Court in Katowice, ul. Warszawska 45
File number : IG/11/91

Chapter I

General Provisions.

Article 1

The Polish Steel Association, hereinafter referred to as the Association, is an organisation of economic self-government associating enterprises from the metallurgical sector, from cooperating sectors and institutions related to metallurgy, carrying out operations in the area of Association activity. This business may include manufacturing, trade, services, etc.

Article 2

The Association has got a status of a legal person and acts on the basis of the Act on Associations of Commerce and Industry of 30 May 1989 (Dz.U. [Official Journal] No 35, item 195) and on the basis of provisions of this Articles of Association.

Article 3

The office of the Association is located in Katowice.

Article 4

The area of Association activity covers the territory of the Republic of Poland.

Article 5

The Association may be associated in national and foreign organisations of a similar character of activity.

Chapter II

Objectives and tasks of the Association

Article 6

Objectives and tasks of the Association include:

1. Representation of economic interests of associated members in the field of their manufacturing, trade and service activity at bodies of state, territorial self-government and economic self-government organisations authorities, both domestic and foreign.
2. Formation and dissemination of principles and standards of fair behaviour in business activity
3. Expression of opinions on draft solutions related to operation of the economy, participation in preparing bills of legal acts in this field and performing assessments of operation of legislation related to the economy.
4. Organisation and assessment of the course of members co-operation in the field of their economic activity to achieve common economic benefits.
5. Research and analysis of supply and sales territories.

6. Organisation and co-operation at working out plans of sectors modernisation and restructuring.
7. Organisation of assistance for members of the Association in solving economic and organisational-legal problems connected with undertaking and performing business activity by them.
8. Carrying out promotional activity in international trade for the benefit of members and providing assistance in starting relationships with foreign partners.

Article 7

The Association pursues its objectives and tasks resulting from the Articles of Association by:

1. Co-operation in creating conditions promoting development of sectors business life and supporting members business initiatives.
2. Participation of its representatives in the work of advisory-consultative institutions.
3. Organisation and creation of conditions to settle disputes between members by means of amicable or conciliatory proceedings.
4. Carrying out actions connected to authentication of documents, issuing certificates and statements according to international conventions and trade practices.
5. Running a bank of economic information.
6. Establishing foundations to support business initiatives of sectors.
7. Supporting the development of vocational training.
8. Performing publishing and training activities.
9. Performing organisational, legal, technical and economic consulting, working out experts' opinions, providing consulting and marketing research.
10. Carrying out business aimed at finding funds supporting the accomplishment of statutory objectives. This business may comprise in particular:
 - a- publishing books, brochures, folders;
 - b- publishing calendars;
 - c- publishing magazines and periodicals;
 - d- creating and developing databases;
 - e- R&D work in the field of: metallurgy, power industry, environmental engineering;
 - f- R&D work in the field of environmental protection;
 - g- R&D work in the field of: organisation and management, economic statistic;
 - h- carrying out market and public opinion surveys;
 - i- advertising;
 - j- organisation of fairs, exhibitions, conferences and congresses;
 - k- other forms of training, not classified elsewhere.

Chapter III

Members and their rights and duties.

Article 8

Any entity carrying out business, defined in Article 1, in the area of Association activity, institutions related to metallurgy, foreign entities of similar nature as well as associations of businessmen as collective members may be members of the Association.

Article 9

1. Decisions on including among the members are made by the Board of the Association upon consideration of application of the interested entity.
2. An interested business entity applying for membership of the Association shall submit a membership declaration, a document stating the legal status of the entity and shall undertake to pay membership fees and the registration fee.

Article 10

1. A member of the Association who is a natural person performs his rights and duties either personally or by proxy.
2. A member of the Association who is a legal person is represented in the Association by a natural person authorised to represent that legal person, delegated by a body of the legal person authorised for that.

Article 11

Members of the Association are vested the following rights:

1. active and passive electoral rights to Association bodies;
2. participation in all forms of Association activities;
3. using all forms of Association assistance.

Article 12

A member of the Association has got a duty of:

1. observance of the provisions of the Articles of Association and resolutions of Association authorities;
2. participation in performing objectives and tasks resulting from the Articles of Association of the Association;
3. observance of the principles of professional ethics and good mercantile customs;
4. taking care of the Association good reputation by actions and attitudes;
5. regular paying of membership fees.

Article 13

The suspension of Association membership.

1. The Council of the Association in agreement with the Board, upon a written motion of an Association Member, may suspend its membership for a period not longer than two years.
2. The suspension may occur only for important, justified and documented in writing reasons, existing on the side of the Association Member.
3. In the case of suspension, the Association Member is not obliged to pay the membership fee.
4. A suspended Association Member is deprived of membership rights, excluding passive participation in the General Meeting of Members.
5. A suspended Association Member cannot use free-of-charge services of the Association.

Article 14

The membership of the Association ceases:

1. As a result of cancellation on the date of valid expiration of the permit for performing a business activity or quitting this activity or cancelling an entry from appropriate registers;
2. As a result of a written notice of Association membership termination, with the elapse of a 3 month period of notice, which starts on the 1st day of the month following the month, in which a member of the Association handed in the notice to the Board of the Association.
3. On the date when the decision on exclusion from the members of Association becomes final.

Article 15

1. Taking the membership away by exclusion from the members of Association may occur at the Board motion obtained by the Council of the Association, if a member:
 - a/ performs activity contrary to the principles of ethics or good mercantile customs;
 - b/ breaches the duties of a member of the Association;
 - c/ does not pay membership fees for a period of at least 3 months.
2. Business entities are vested right to file an appeal from this decisions within 6 weeks since the date of its receiving together with the reasons. The appeal shall be heard by the nearest General Meeting.

Chapter IV

Bodies of the Association.

Article 16

Bodies of the Association include:

1. General Meeting of Members of the Association,
2. Council of the Association,
3. Board of the Association.

Article 17

1. The bodies of the Association may consist only of natural persons, members of the Association, or natural persons representing members of the Association who are legal persons.
2. A natural person who is a member of bodies of the Association, representing a legal person – member of the Association, in the case of committing an offence or committing acts specified in Article 14, clause 1 “a” and “b” of the Statutes or losing the mandate to represent the legal person – member of the Association, loses the right to be a member of bodies of the Association. A legal person – member of the Association represented by this person to replace him/her shall delegate another person who will be a member of a body of the Association till the nearest General Meeting.
3. In the case of losing membership on the basis of Article 13 or Article 14 a natural person, representing a legal person or being a business entity who is a member of a body of the Association, loses the right to be a member of that body and another person is co-opted to replace him/her from the election list to the appropriate body of the Association.
4. By-elections shall be performed during the nearest General Meeting.
5. If the composition of an Association body is reduced to the extent that it makes its proper operation impossible, the Board of the Association, and if it is not possible, the President of the Council of Association, shall immediately convene the General Meeting to supplement the bodies composition.
6. The number of co-opted members cannot exceed 1/3 of the number of elected members.

Article 18

1. The term of office of bodies of the Association amounts to 3 years.
2. Elections to authorities of the Association are carried out by secret ballot. A dismissal of a member of authorities is carried out also by a secret ballot.
3. Mandates of Members of the Board and of the Council of the Association expire on the day of the General Meeting that ends the term of office.

Article 19

General Meeting

General Meeting is the highest authority of the Association.

1. General Meeting is convened by the Board of the Association and takes place annually, at the very latest in June.
2. Board of the Association notifies members of the Association of the place, the date and the agenda of the meeting at least 21 days before the date of the General Meeting. At the same time the materials prepared for the General Meetings are to be made available for inspection in the office of the Board.
3. Members' motions on amendments and supplements in the agenda shall be lodged to the Board of the Association at the very latest 14 days before the date of the General Meeting.
4. If the agenda has been supplemented according to the procedure specified in clause 3 the Board notifies members of the Association of supplementing the agenda at least 10 days before the date of the General Meeting.

Article 20

1. Extraordinary General Meeting may be convened by the Board of the Association on its own initiative, at the request of the Council of the Association or at a written motion of at least 1/10 of members of the Association.
The General Meeting convened by the Board of the Association at the request of the Council or Members of the Association shall take place within two months from the motion receipt by the Board of the Association.
2. The Council of the Association has got the right to convene an ordinary General Meeting if it has not been convened by the Board of the Association in the time specified in the Articles of Association as well as an Extraordinary General Meeting whenever it deems it appropriate and the Board of the Association does not convene a General Meeting within two weeks since lodging a motion to convene it.
3. Resolutions of the General Meeting may be passed only on the issues included in the agenda, determined and announced according to the procedure specified in Article 18 – subject to provisions of clause 4.
4. Matters not included in the agenda may be the subject of resolutions of the General Meeting only in the case, if they refer to members of the Association authorities or to convening an Extraordinary General Meeting.
5. Provisions of Article 18, clause 2 – 4 shall be used accordingly.
6. The General Meeting may pass a resolution on cancelling an item from the agenda by a simple majority of votes.

Article 21

1. Members of the Association attend a General Meeting in person or by authorised representatives.
2. The President of the Board of the Association attends a General Meeting in an advisory capacity.
3. Each member of the Association has got one vote in a General Meeting.
4. In the case of organisational changes consisting in a merger of two or more Association Members into a new business, at the moment of transformation this business becomes an Association Member having at its disposal the number of votes in the General Meeting corresponding to the sum of votes before the merger.
5. In the case referred to in clause 4 the member fee shall sum up.

Article 22

1. General Meeting convened in the first term is valid, if attended at least by 50% of members of the Association.
2. General Meeting may convene in the second term determined by the body convening the General Meeting in the announcement on convening it irrespective of the number of attending it members of the Association.
The second term may be at least 7 days after the first term.
3. Resolutions of a General Meeting are passed by an absolute majority of cast votes.

Article 23

The competence of a General Meeting includes:

1. passing the Articles of Association of the Association and its amendments;
2. passing regulations of the Association authorities election and standing orders of the General Meeting;
3. approving regulations of the Council of the Association and of the Board of the Association;
4. electing and dismissing members of the Council of the Association and of the Board of the Association;
5. setting directions and passing programs of Association activities;
6. approving the annual budget of the Association and defining the highest amount of liabilities that may be incurred by the Association;
7. approving the reports of the Board and of the Council of the Association and approving the accounting balance-sheets;
8. acknowledgement of fulfilment of duties of the Council and of the Board of the Association;

9. passing resolutions on associating the Association in the National Association of Commerce;
10. disposing separated business entities;
11. disposing real estate;
12. setting the amount of membership fees and the amount and principles of paying the registration fee;
13. setting principles of remuneration of members of the Council of the Association and of the Board;
14. hearing appeals of members of the Association from decisions on excluding;
15. passing resolutions on other matters resulting from the Articles of Association.

Council of the Association

Article 24

1. Council of the Association consists of 5 – 9 persons elected by General Meeting.
2. Council of the Association elects from its members a President and a Vice-President and a Secretary.
3. Representative of the Council of the Association may participate in meetings of the Board of the Association in an advisory capacity.
4. The Council of the Association may delegate one of its members to fulfil the duties of a member of the Board of the Association, if a member of the Board has resigned from the post or has been suspended in Board member rights, till the Board composition is supplemented by the General Meeting.
5. The Council of the Association operates based on HIPH Council By-laws.

Article 25

The competence of the Council of the Association except for the issues specified in the Articles of Association includes:

1. Determining principles of financial management of the Association.
2. Performing quarterly and annual inspection of financial management of the Association;
3. Issuing opinions on the Association budget.
4. Presenting to General Meeting conclusions and observations in respect to the Association activity.
5. Presenting to General Meeting reports on inspections of the Association activity together with conclusions on acknowledgement of fulfilment of duties of the Board of the Association.
6. Giving consent for:
 1. purchasing real estate;
 2. establishing, acquiring, leasing business entities and granting on them the right to usufruct;
 3. submitting motions to change the budget of the Association.
7. Suspending members of the Board of the Association.
8. Concluding contracts of employment with members of the Board of the Association.

Article 26

The Council of the Association acts on the basis of Regulations approved by a General Meeting, that specify its organisation and the way of performing activities.

Board

Article 27

1. The Board manages the activity of the Association and represents it outside.
2. The Board operates based on HIPH Board By-laws.
3. The Board makes all decisions not reserved to other bodies by the Articles of Association.

Article 28

1. The Board of the Association shall consist of one to three persons.
The General Meeting shall determine the number of Board members in a given term of office.
2. The General Meeting shall appoint the President of the Board and at his/her request the other Board members.

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