

EUROUZ AGM: ROLE & FUNCTIONS OF EUROUZ BOARD OF DIRECTORS

Article VIII. BOARD OF DIRECTORS

The Association is administered by a Board of Directors comprising of the members elected at the Annual General Meeting for 1 (one) calendar year or until the next Annual General Meeting. There are no limits on the re-election authorities of former Board members.

If a legal entity is appointed as a director, it is required to designate, from among its members or directors, a permanent representative, a natural person, who will sit on the Board of Directors on behalf of the legal entity.

The number of members and composition of the Board, as well as its mission, authority and decision-making procedures, are defined by the General Meeting in accordance with the Association's objectives and regulations.

Board members perform their duties as a collegial body.

Board members receive no financial remuneration for their services. Their travel and other expenses are reimbursed to the extent reasonable and in relation to the activities required by the Board, and if the financial means are available to satisfy the reimbursement.

The Board of Directors has the broadest powers for the management and administration of the association, with the exception of those powers expressly reserved to the General Meeting, either by virtue of these Articles of Association or by law.

It has the following exclusive rights:

to elect and dismiss the Secretary General of the Association (hereinafter referred to as the "Secretary General") and to supervise his work;

to approve the Association's budget and the annual program of activities proposed by the General Secretary for the following calendar year, before submission for approval to the Annual General Meeting;

to present the narrative and financial reports;

to ratify the annual balance sheet and the auditor's report;

to decide on the structural organization of the administrative office, the number of employees and their salaries;

to approve the Association's internal regulations or set up a Steering Committee;

to decide on the dismissal of a member, who may appeal to the General Meeting;

to decide on any contract, commitment, loan, credit, deposit, or securities secured by Association assets;

to decide on any acquisition or sale of real estate; and

To settle any other business that is not the responsibility of the General Secretary.

The Board of Directors consists of members elected by the Annual General Meeting for a one-year term. It comprises a minimum of three people and a maximum of eleven. The Annual General Meeting may also appoint additional non-voting "honorary" members, who hold only a nominal title limited to the period determined by the Annual General Meeting, and do not participate in Board voting.

The Board of Directors may define a "Steering Committee" of the Board of Directors from among its members, i.e. Board members who wish to be more closely involved in the Association's activities, to support a quorum requirement is met for all decisions of the Board of Directors. A Steering Committee of the Board of Directors must comprise of at least three members.

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

If the number of members of the Board of Directors falls below the required minimum between two consecutive meetings, the Board of Directors will be obliged to convene a General Meeting within ninety (90) days.

Unless otherwise stipulated in these Articles of Association, and unless a consensus is reached, the Board of Directors votes by a majority of the members present. In the event of an equality of votes, the General Secretary has the casting vote.

Any decision concerning a loan, credit or sale/acquisition of real estate for the Association must be unanimously approved by the Board of Directors.

Decisions may also be taken by written resolution or by any other means enabling directors to communicate with each other (conference call or videoconference). Resolutions take effect on the date stated on the written resolutions (or on the date of the conference call or videoconference) and are deemed to have been taken at the Association's registered office.

The Board of Directors elects a chairman from among its members. The Chairman convenes and chairs Board meetings, and is responsible for communication between the General Secretary and the Board of Directors.

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The Board of Directors meets at least four times a year, either virtually or in person.

In cases where the Board of Directors must take a decision that puts a member in a conflict-of-interest situation as stipulated in Article X, the member must disclose the particulars of the conflict to the Board of Directors and refrain from expressing an opinion on the decision taken (principle of prohibition of conflict of interest).

Liability for commitments entered into by the Association shall be limited solely to the Association's assets. No member of the Association, including those involved in its administration, shall be held personally liable.

Article X. CONFLICT OF INTERESTS

A conflict of interest includes the involvement of a member of the Board of Directors:

- a) in decisions concerning remuneration for extraordinary tasks, i.e. tasks that go beyond the expectations of membership duties;
- b) in activities that compete or contradict with the interests of the Association.

Conflicts of interest also arise when a person, in some way connected with a member of the Association, benefits directly from the use of that member's funds and/or assets as a result of a decision by the Association's governing bodies. A person "related to a member" may be a direct family member, a person who is financially dependent on the member, or with whom the member shares property.

Any person in the service of the Association or exercising any authority on its behalf, including a member or employee, who finds himself or herself in a conflict of interest must disclose the nature and possible effects of the conflict to the Board of Directors. His declaration and explanation of the nature of this conflicting interest must be included in the minutes of the Board of Directors meeting at which this decision is taken. The Board of Directors may not delegate the right to this decision.

A person with a conflict of interest may not participate in the discussion or decision of any matter relating to the Association with which he or she has a conflict.

Any business transaction between the Association and members of the Board of Directors or employees is prohibited unless the Board of Directors determines after reasonable investigation that the transaction is in the best interests of the Association or is fair and reasonable and that the Association was unable to obtain more favorable terms despite its reasonable efforts under the circumstances.

Violation of the principle prohibiting conflicts of interest is grounds for termination of a member's membership of the Board of Directors. At its next meeting, the Board of Directors is required to inform the Annual General Meeting of any facts indicating a breach of the principle prohibiting conflicts of interest.

Article XI. MANAGEMENT OF THE ASSOCIATION

The Association manages its own property and real estate exclusively.

The Association's revenues may include:

- a) membership fees;
- b) grants, donations and contributions from legal entities and individuals;
- c) profits generated by its assets;
- d) government subsidies;
- e) income from the sale of intellectual property products related to its activity, including capacity-building, training activities and any publications or research activities.
- f) income from transactions other than sales, including dividends, interest and other income from shares, bonds, other securities and deposits;
- g) other income from other activities authorized by law and relating to the statutory objectives of the Association or its representative offices.

The General Secretary must submit a budget and program proposal to the Board of Directors no less than one month before the scheduled Board meeting. The Board of Directors will review this proposal for a period of one month and may make amendments before submission it for approval at the Annual General Meeting.

The Board of Directors shall fix, subject to the utilization of funds and assets, a limit above which the General Secretary is not required to obtain the approval of the Board of Directors.