

Statutes¹ of:

Free and Independent Association **Venedia**

Article I.

Free and Independent Association Venedia, known in Czech Language as “*Svobodný a samostatný zapsaný spolek Venédsko*” (previously named in Czech “MĚSTEČKO”), is registered as a voluntary association based on the Czech Law No. 83/1990 Coll. with the law taking effect in 89/2012 Coll. Civil Code (further referred as “CC”), thus since 1/1/2014, is considered as an association of citizens in regard of § 3045 NOZ together with s § 214 and the following. CC.

Article II.

Name of the Association

The name of the association is: “*Free and Independent Association Venedia*” and is further referred as “the Association”.

Article III.

Association headquarters

Association headquarters are in Vimperk II, Boubínská 479, PSČ 385 01, Czech Republic

¹ This is an unofficial translation of the original Statues from Czech language. In case of a dispute, the Czech original is legally bounding

Article IV.

Statutes

The internal organization of the Association, the rights and obligations of its members and the elected bodies of the Association are governed by these statutes, which are stored in its entirety at the headquarters of the Association.

Article V.

Purpose, mission and principles of the Association

The purposes of the Association are:

- a) Coordination and information activities aimed at the establishment and operation of centers that support intergenerational cohabitation, cohabitation of handicapped and healthy cohabitation of different ethnic groups together with various other charitable activities,
- b) operation of the aforementioned centers,
- c) cooperation with other organizations engaged in the activity referred to in subparagraph a.
- d) cooperation with state authorities and local governments.

Article VI.

Main activities of the Association

1. Main goal of the Association is to achieve their objectives in accordance with its mission, as defined in Art. V of these statutes. None of the major activities of the Association is motivated by business or employment activities.
2. Main activities may be financed mainly, but not only from membership fees pursuant to Art. X. these statutes, grants and sponsorship and profits from secondary activities pursuant to Art. VII. of these statutes. If in the execution of the main activities some revenue is achieved, the Association uses this income to cover the cost of club activities, or to cover its administration. Income from principal activity of the Association must in principle cover costs incurred on its activities.

3. The Association operates and performs the following main activities:
Operation of centers, which create space for charitable activities and intergenerational cohabitation without racial restrictions.

Article VII.

Secondary activities of the Association

Since the operation of the main activities of the Association incurs costs, the association may also perform economic, or other commercial activity, both to support the main activity and for the purpose of efficient utilization of assets of the Association. The profits from these activities are primarily used to support the core activities under Art. VI. of these statutes, other association activities and to cover the costs of its own management.

Article VIII.

Membership

- 1) Membership in the association is voluntary. A member of the association is open to any person over 18 years of age, regardless of gender, political and social status, nationality, race and country of residence unless other laws (e.g. contractual) obligations do say otherwise and if the member does not support or involve in racial, class or group hatred or intolerance, and does not, or does not promote a movement aimed at suppressing human rights and freedoms of individuals or groups. Candidates for members of the association (hereinafter: "Candidate") can only be a person older than 15 years meeting the conditions of the member according to the first paragraph of this article.
- 2) A member of the association may become a legal entity accepting as members under the statutes. The legal entity for the association is its statutory body, if another representative is not selected by its statutory body. Membership of legal entities in the association starts under a contract between the legal entity and the association when the contract comes into effect or any other date specified in the contract.
- 3) If a legal entity violates the contract under which it is a member of the association, its membership ends. The contract must contain a provision under which a legal entity undertakes not to promote racial, class or group hatred and intolerance, or promote organizations and movements aimed at suppressing human rights and

freedoms of persons or individuals. At the same time this legal entity will commit that it will not aim to suppress the rights and freedoms of individuals or groups.

- 4) Membership is bounded to a member and, in the case of a natural person is inherited, in the case of a legal entity shall pass to the legal successor, unless rules, regulations and other legally binding provisions of the association (hereinafter "internal regulations") state otherwise.
- 5) A person becomes a member of the date of decision of the superior of the association (hereinafter referred to as "superior") on her/his application for a membership. Application for membership must be submitted in writing.
- 6) Membership in the association is individual or honorary.
- 7) The conferment of honorary membership is decided by the Assembly of the association (hereinafter "the Assembly") on the proposal of the Superior. With the demise of individual membership the honorary membership expires too.
- 8) Membership in the association can terminate when:
 - 8.1. voluntary resignation of a member. Membership terminates on a day of delivery of a written notice of termination of membership to the Council of the association (hereinafter "the Council"), unless the notice of termination of membership states otherwise.
 - 8.2. member dies or is declared dead by a member of the association in case of natural individual, the provisions on inheritance membership is not affected by this,
 - 8.3. the termination with liquidation of the legal entity without a legal successor
 - 8.4. exclusion of a member. Membership terminates on receipt of the decision to expel a member of the association to the expelled member, unless otherwise stated in the decision; the superior has the right to terminate a membership if their conduct violates the objectives, principles and mission of the association under the Art. V. in these statutes, or for violation of membership obligations pursuant to Art. IX. of these statutes;
 - 8.4.1. notice of terminations shall be sent by registered post;
 - 8.4.2. in case of uncertainty regarding the date of delivery shall be deemed to have been received on the thirtieth day after the date of dispatch;
 - 8.4.3. the date of sending the note of termination has to be proved by the sender
 - 8.5. termination of the association.
- 9) Members of the association are not liable for the debts of the association.

Article IX.

The rights and duties of members

- 1) Each member of the association has the rights to:
 - 1.1. participate in activities of the association,
 - 1.2. access to information about the activities of the Association, pass suggestions, comments and questions to the authorities of the association and receive answers to their submissions within a reasonable time and scope
 - 1.3. elect and be elected to the management and control authorities of the association; this right is not granted for a candidate
 - 1.4. call herself/himself a “Venedian”
 - 1.5. request to see parts of the register of the members of the association pursuant to Art. XI.

2. Each member of the association is obliged to:
 - 2.1. pay membership fees and other fees, if so decided by the Assembly (further referred as fees).
 - 2.2. protect and preserve the good name of the association and care about the reputation of the association
 - 2.3. protect the Association
 - 2.4. follow the statutes of the association
 - 2.5. actively contribute to the activities of the association
 - 2.6. obtain information about the activities of the association

3. Candidates of the association do not have the rights to vote or to be elected to the positions of association.

Article X.

Membership Fees

- 1) The amount and due date of the membership fee for individual membership is determined by the Assembly.
- 2) There are no membership fees for the honorary membership.
- 3) Fees may be waived or reduced based on a written request to waive or reduce if serious reasons for that are present. A waiver or reduction is decided by the Board. If the board refuses, member may request a review of the decision by the superior.
- 4) The due date for the fees may be postponed. The postponement of the due date is decided by the Board. If the board refuses, member may request a review of the decision by the superior.

Article XI.

Register of the members

- 1) The association maintains a register of members and candidate members (hereinafter: the register of members) and it is the responsibility of the management board to keep this register actual. The register of members for each member states the following:

Natural Person:

Legal Entity:

Title

Name and Surname

Name

Permanent residence

Headquarters address

Contact address

Contact address

Date of Birth

Identification number

Tel. Phone / contact email

Tel. Phone / contact email

A person delegated to act in the name of the legal entity within the association

2. Additions and removals to the registry is done by the board. Board performs the subscription of the new member within 30 days of the start of the membership. The boards removes the member from the registry within 30 days of the termination of the membership.
3. The Board is obliged to give access to a transcript of the registry to any member of the association who requests it within 15 days providing only information about the members personal data.
4. The registry is not public.

Article XII.

Authorities of the association

- 1) The authorities of the association are:
- 1.1. the Assembly of the association
 - 1.2. the Board of the association
 - 1.3. the Superior of the association

- 2) The term of office of the elected bodies is of five years, unless the statutes expressly specified otherwise. Membership in elected bodies expires with termination of membership in the association, expiration of the term or expulsion of a member of the elected body by the Assembly or by the Superior.
- 3) The position of the Superior of the association is hereditary.
- 4) If the Superior is not able to perform the function (e.g. for a young age, or because of long-term incapacitation), then his authority is taken over by the control board of association (hereinafter referred to as "the Control Board", not to be mistaken with the Board) consisting of legal representative of the Superior presented with the title of Consul of the Control Board, a representative elected by the Assembly with the title of praetor of the Control Board and a representative elected by consensus of both the above with the title of adjutant of the Control Board.
- 5) The Praetor is elected for a term until the causes of the existence of the Control Board shall not fail (eg .: reaching adulthood of the Superior), but not for more than for 7-years.
- 6) If there are circumstances from point "4)" then the Control Board is for as long as necessary statutory authority of the association and it decides collectively and decisions are taken by majority vote. Post Chairman of the Control Board is given to the legal representatives of the superior, therefore to a Consul of the Control board.

Article XIII.

Assembly of the association

- 1) The Assembly is composed of “assembly of representatives” of the association (hereinafter: the "Representatives") and the Senate of the association (hereinafter the "Senate").
- 2) The Assembly discusses the activities of the association for the past calendar year, accepts the principle of action for the following calendar year, confirms the Board or decides the Board's dismissal, assesses the work of resigning authorities and adopt other decisions of fundamental importance for the existence and activities of the association. Its scope further includes:
 - 2.1. the right to examine and approve the budget and annual balance and to publish the findings to the association;
 - 2.2. the right to approve internal organizational standards and internal regulations of the association;
 - 2.3. determine the main focus of the activities of the association;

- 2.4. propose amendments to the Statutes; proposal takes effect if it is supported by vote of at least 2/3 of the regular participants of the Assembly; therefore duly elected members of the representatives and duly nominated and active members of the Senate (hereinafter referred to as "members"), who have full rights in the council to act, vote and decide in accordance with the statutes and other regulations, standards and provisions of the association.
 - 2.5. approve the annual report on the activities and management of the association for the previous periods which are presented by the Board of the association.
 - 2.6. control of management and all economic activities of the association
 - 2.7. decide on fees, their amount and due date
 - 2.8. approve the economic results of the association
 - 2.9. approve members of the board
 - 2.10. appoint a trustee in bankruptcy (liquidator)
 - 2.11. if necessary, elects a Praetor of the Control Board
 - 2.12. assesses the activities of other bodies of the association
 - 2.13. decide on voluntary dissolving of the association, the veto rights of the Superior are not affected by it
 - 2.14. decide on transformation of the association, the veto rights of the Superior are not affected by it
- 3) The assembly is convened by the Superior as necessary, but at least once a year without undue delay after completion of the annual financial statements prepared as at 31/12 for the previous calendar year.
 - 4) At the written request of at least one third of members of the association (this right does not belong to candidates) to be convened for an extraordinary session of assembly, by the Board, to whom this request is addressed.

The Board is obliged to convene an extraordinary session of the Assembly within eight weeks of receipt of the written request, which must contain a statement of reasons and the program required for an extraordinary session of the assembly. If the Board fails to convene an extraordinary session of assembly within this interval the submitter may appeal to the superior.

The superior is obliged to convene a meeting of the Assembly within 21 days of receipt of the appeal and to submit his proposed program for approval. If the Assembly does not approve the proposed program, the request for an extraordinary session of the assembly is deemed to be refused and the assembly session is considered as finished.

- 5) The right to attend meetings and deliberations of the assembly, the right to vote is held by all its members. Each member of the association is entitled to be present at the

meeting and demand an explanation of matters of the association in form of a written submission, which would allow verification of the validity of the membership of the claimant in association. In cases where a member requests a release of facts that the law prohibits to release, or when a disclosure of these facts could cause harm the association, this request can be refused.

- 6) Invitation to the assembly meeting, together with its program must be circulated to members of the Assembly at least thirty days before the meeting and on request must be provided to each member of the association. Place and time of meeting shall be determined so as to minimize the complications for the members to attend. Convened assembly meeting may be canceled or postponed.
- 7) Each member of the Assembly shall have one vote, the votes of all members of assembly have equal weight. The Assembly is able to pass resolutions with the participation of the majority of all its members. Resolution of the Assembly is accepted by a majority vote of its members present, unless statutes expressly specified otherwise.
- 8) If any member of the association is also an honorary member, she/he does not gain an extra vote in the assembly or in the elected bodies of the association if she/he is a full member nor in the elections of these bodies, nor in any another vote.
- 9) The meetings are presided by an assembly chairman, who is elected by the assembly at the beginning of its first session of its term. The assembly meeting follows the program which was included in the invitation letter and agreed at the beginning of the Assembly session.
- 10) The Board will ensure that the minutes of the meeting of the Assembly will be circulated within thirty days of its completion. If this is not possible, the minutes are created by the meeting chairman or who is assigned by the Assembly for this task. From the minutes it must be clear who convened the meeting, how and when it took place, who initiated it, who had presided over, what resolutions were adopted, and when and by whom the minutes have been written.
- 11) The Bureau of the Assembly consists of the President and his (at most) two vice-presidents, who are also the Chairmans of the Assembly chambers ("Representatives" and "Senate").
- 12) Each chamber shall elect its chairman at its first meeting of its term.
- 13) The Chairman of the Assembly is mutually incompatible with the functions of chairman of one of the chambers of parliament.
- 14) The first session of the Assembly in its term is presided by the Superior
- 15) The Bureau of the Assembly must be elected in the first session of its term of office and its election ends presiding role of the superior.

Article XIV.

Composition and Appointments of Members of the Assembly

- 1) The Assembly consists from the lower chamber, which is the Assembly of representatives, and an upper chamber, which is the Senate.
- 2) The Assembly of Representatives is the Lower Chamber of Delegates, where one delegate is representing every 15 members of the association unless otherwise noted below.
- 3) The Assembly of Representatives must have at least 5 members, even when the association has less than 15 members. The lower chamber must have at least 2 or more members than the board of the association.
- 4) If the number of members of the Assembly of representatives is less than 5, the Superior is obliged to dissolve the Assembly of representatives and declare new elections to the Assembly of representatives within the 6 months.
- 5) The elections to the Assembly of representatives are done by a secret ballot.
- 6) Election of members of the Assembly of Representatives are done in two rounds. If the candidate obtains less than half the votes of all members, for which he stands the 2nd round is performed. In the 2nd round the candidate elected by a simple majority of the valid votes of the members for which the candidate stands.
- 7) The members of senate are named by the Superior.
- 8) Members of the Senate in the case of institutions and organizations established by the Association appoints the Superior, when such duty arises from the founding charter of these institutions and organizations (established pursuant Art. XVII.).
- 9) Senate members from representatives of legal entities, which have a membership in the Association are appointed by the Superior when the membership contracts between the legal entity and the Association do impose this.
- 10) The senate membership appointed by the superior is hereditary. This appointment may be, in the case of a particular person, blocked by the Assembly of Representatives by two thirds vote of its members. In this case, the Superior cannot veto the vote of the Assembly of Representatives.
- 11) The right to serve in the senate of a hereditary member of the senate can be suspended by 3/5 of the vote of the Assembly of representatives at the request of the Superior.
- 12) On the request of the Superior, the same suspension can be decided by the majority vote of a senate.
- 13) Hereditary membership in the senate cannot be suspended without a change of these statutes or without termination of the Association. The membership expires when there

is no kin to whom the hereditary rights can be applied or by a decision of the kin of the family to whom these hereditary membership should be transferred.

- 14) There always has to be less senate members than members of Assembly of Representatives.
- 15) The Assembly may vote to adopt the amendments to the Statutes (if these proposals do not conflict with applicable legislation), by 2/3 of the votes of all its members; Superior veto power is not affected by this provision. Statutes are the regulations of the Association.
- 16) The Assembly may vote to adopt a constitution of the Association, its individual provisions and amendments thereto, if these do not conflict with the statutes of the Association, and 3/5 vote of all members of the Assembly is needed; Constitution of the Association have higher legal force than other internal regulations of the Association except of contractual commitments undertaken earlier, the validity of which has not been legally terminated; Superior veto power is not affected by this provision.
- 17) The function of the Assembly of the Association can be performed even with only one of its chambers, only in the cases where one of its chambers is not established or is unable to act and pass resolutions.

Article XV.

The Board of the Association

- 1) The Board is the administrative, management and executive body of the Association.
- 2) The Board is a collective body consisting of at least three members. The Board is headed by the Secretary of the Association (hereinafter "Secretary").
- 3) The remuneration for membership in the Board determines the Assembly.
- 4) The members of the Board has to be members of the Association.
- 5) The Board directs the activities of the Association in accordance with the statutes and internal regulations of the Association and resolutions of the Assembly throughout its term.
- 6) The Board is responsible for the proper management of the Association, monitors compliance with budgetary rules, approves amendments to the budget, to ensure proper care of the property and in particular for the proper fulfillment of the mission of the Association.

- 7) The Board leads and manages the Association in cooperation with the Superior between sessions of the Assembly, ensures compliance with the Statutes and cares for development of the Association.
- 8) The Board is obliged to act with due diligence, due skill, care and loyalty.
- 9) The Board powers also include:
 - 10.1. in compliance with the Statutes convening of the assembly meeting
 - 10.2. to consider proposals for the sale and purchase of real estate and other investments and to submit such proposals to the Assembly
 - 10.3. oversee the proper care of the property and the entire economic activity of the Association
 - 10.4. employ and terminate the employment of the Association employees
 - 10.5. register members of the Association
 - 10.6. propose deferrals, reductions or waivers of membership fees for some serious reasons
 - 10.7. decide on labor affairs of the employees or volunteer workers
 - 10.8. submit to the Assembly proposals and amendments to the internal regulations and contracts
 - 10.9. decide on matters and issues that are not covered by any other body of the Association

Article XVI.

Other Rights and Obligations of the Superior of the Association

The Superior is the head, the highest representative and the legal representative of the Association and on the behalf of the association acts independently. Remuneration for the performance of his office determines the Assembly. Additionally to all aforementioned the Superior has the following rights and obligations:

- 1) the right to appoint the Board secretary, who must be a member of the Association
- 2) an obligation to appoint the Board no later than five days after the Board obtains the trust of the Assembly.
- 3) the right to dismiss the Board or its individual members
 - 3.1. after the Assembly votes for no-confidence to the Board with a majority vote of its members

- 3.2. after an dismissal of a Board member is proposed by the Secretary
 - 3.3. after the Board member asks for his/her dismissal
 - 3.4. after request of the Secretary for a confidence to the Board is supported by less than half of the voting members of the Assembly
 - 3.5. if the dismissal of the Board proposed by the Superior is rejected by a majority vote of the members of the Assembly; in which case the Superior does not have the veto rights
 - 3.6. Superior has the ability to determine that a decision on his dismissal of the Board will rally Representatives and the Senate vote separately; In such a case, an dismissal of the Board may be reversed if, and only if they oppose him as more than half of the members of the Assembly, as well as more than $\frac{1}{2}$ of the members of the Senate
- 4) The Superior acts in the name of the Association, unless other person is dedicated to act instead, especially by:
 - 4.1. the Secretary
 - 4.2. another member of the Association, unless the council votes of the absolute majority of its members opposes; in this case, the Superior is not able to use the veto power
 - 4.3. other person who is not member of the Association, if agreed by the assembly
 - 5) Has the rights to approve or reject internal regulations of the Association after they have been discussed by the Assembly
 - 6) Has the rights to approve or reject contracts or other legal commitments of the Association
 - 7) Has the right to veto any decision of the Assembly unless the Statutes or the Constitution of the association explicitly states otherwise
 - 8) Has the right to return to Assembly its decision with suggestions for further consideration
 - 9) Has the obligation to appoint representatives of institutions and organizations set up by the Association under the Article XVII. if this concludes from the founding documents of these organizations.
 - 10) Has the right to appoint representatives of institutions and organizations set up by the Association under the Article XVII. if this concludes from the founding documents of these organizations.
 - 11) Has a duty to ensure the safety of the Association, and if possible in cooperation with the Board and the Assembly

- 12) Has a duty to dismiss the Board if its action threatens or harms the interests of the Association in particularly rude manner. Against this decision, the Secretary remonstrance to the Assembly and the decision will be void if and only if 3/5 of the members of the Assembly questions the grounds of the Board dismissal. The dismissal does not have suspensive effect. The Superior does not have the power to veto this decision of the Assembly.
- 13) has a duty to dismiss the Assembly if:
 - 13.1. the Assembly is not able to meet in a quorum in 3 consecutive announced meetings and between the third and the first meeting at least 72 days passed,
 - 13.2. the Assembly decides for its dismissal, in this case the veto rights of the Superior do not apply
 - 13.3. The Assembly vote will support the challenge presented to the dismissal of the Assembly by the Superior; this challenge is discussed only by the Assembly of representatives
 - 13.4. The Assembly for the 5th time does not vote for confidence in the Board if and only if 3 different Secretaries attempted to establish the Board
 - 13.5. The Assembly does not approve the annual reports of the activities and economical results of the Association
 - 13.6. the Assembly does not approve the yearly budget of the Association after 3 consecutive proposals to the Assembly. The budget has to be approved before the 5th calendar month of the particular year.
- 14) After the Assembly dismissal based on the point13, the Superior is obliged:
 - 14.1. to declare the appointment of members of the Assembly of Representatives to be terminated, revoke the chairman of the Assembly and its 2 co-chairs, who are also the chairman of the Assembly
 - 14.2. dismiss the Board, with immediate effect
 - 14.3. appoint a temporary Board, which cannot have any member from the previous dismissed Board
- 15) The superior has the right to hold elections to the Assembly when the Association has at least 12 members
- 16) The Superior has an obligation to hold elections to the Assembly only when the Association has 105 or more members
- 17) The Superior has the right to appoint members of the Association and entrust the preparation and organization of elections that:
 - 17.1. the elections must take place no later than 90 days from the announcement

- 17.2. the elections must occur no later than 30 days after the commission designated members of the Association for their preparation
 - 17.3. the elections must take place no later than 45 days after the expiration of the term of the previous Assembly
 - 17.4. no member of the Association, which is responsible for the preparation and organization of elections should stand in the elections and to participate in election campaign
 - 17.5. designated members of the Association have an obligation to ensure that the elections were held in secret and that all the members of the Association can participate in the vote with equal voting rights, if interested to participate in the vote
 - 17.6. each member of the Association has the right to elect and be elected; although candidates do not have the right to elect and be elected, thus they can be together with the Members entrusted by the Superiors to take part in the preparation and organization of elections
- 18) If the Assembly is dismissed on the basis of Point 13. of this article is, the Superior must:
- 18.1. Designate a temporary board with preparation and organization of elections. The point 17.4. in this case does not invalidate.
 - 18.2. to hold elections so that they held no later than 6 months after the dissolution of the Assembly
 - 18.3. after the election to convene the Assembly meeting, to take an oath of allegiance to the Association from new members of the Senate (if any) and the oath of allegiance of the elected members of the Assembly, declare the Assembly to be established and the operation of Assembly to be renewed; only by this act the new members of the Senate and the elected members of the Assembly representatives become members of their chambers (the Assembly of Representatives and Senate) and even the Assembly
- 19) The senate is established by the Superior by his decision at the moment when favorable conditions will occur (land tenure, distinguished members, the designated institutions and organizations of the Association, cooperation with relevant legal entities that are members of the Association...) or by the proposal of the Assembly of representatives
- 20) The superior has the right to convene a referendum among the members of the Association, where:
- 20.1. adopt internal regulations and agreements affecting the functioning and activities of the Association. For the vote to be valid and binding at least 50%

of the members of the Association with the right to vote and to be elected has to participate, and more than half of the voters has to vote for the proposal. In this case the draft of internal regulation is adopted without further delay.

- 20.2. change the internal regulations of the Association, and according to the principles and rules described in paragraph 20.1. of this Article
 - 20.3. adopt and amend the provisions of the Constitution of the Association, with more than $\frac{1}{2}$ of the votes of all members of the Association with the right to vote and to be elected
 - 20.4. adopt and amend the statutes of the Association if it does not conflict with applicable legislation, and that at least $\frac{3}{5}$ of the votes of all members of the Association with the right to vote and to be elected, who participated in the vote; the vote is valid if it is attended by more than 50% of all full members of the Association
- 21) The referendums are governed by the rules applicable to elections, as described above; the provisions of paragraph 17.4. of this article in this case expires, so even a member of the Association, which was intended to prepare and organize the vote can participate fully in the campaign prior to the vote
- 22) The Superior in his/her office cannot pursue any of the elected positions within the Association
- 23) The Superior has the right (unless other internal regulations of the Association state otherwise) confer titles:
- 23.1. personal social titles of the Association, which gives the holder the lifelong right to use this title
 - 23.2. hereditary social titles of the Association
 - 23.3. titles related to functions within the Association used in its established, used or operated structures, organizations and institutions
 - 23.4. titles related to the employment within the structures of the Association's established, used or operated structures, organizations and institutions

Article XVII.

Assets and Financial Management of the Association

- 1) Funding for the activities of the Association are obtained, but not only from member contributions, inheritances and bequests, gifts, from state contributions, grants, income from their activities and from the proceeds of its assets. The Association may also,

within the scope of these statutes, raise funds for its operations by doing business and other gainful activities pursuant to Art. VII. of these statutes.

- 2) All funds raised must be used in accordance with these Statutes. Funds must be used primarily to finance the core activities of the Association fulfilling the mission and goals of the Association. Additional funds may be used to cover the costs of its own management and development of ancillary activities of the Association.
- 3) Means of the association may not be used for the enrichment of individuals and legal entities. This applies in full for members and staff of the Association. This does not preclude the use of funds for social or charitable purposes. Exemption from this provision constitutes a proper salary or remuneration for the performance of functions under the Statutes or agreed under existing contracts.
- 4) The Association takes into its ownership, management or use a property for the proper fulfillment of the mission and goals of the Association:
 - 4.1. The Association carries out its activities on the land which it owns, which it has rented, which has been entrusted to or has in any other form of possession and use.
 - 4.2. These lands are then a place of operation of the Association.
- 5) The bodies of the Association are responsible to good governance, restoration, maintenance and evidence of the assets to the extent of the provisions in these Statutes and internal regulations of the Association.
- 6) The Superior can entrust portion of the assets to management of another entity, with the prior consent of the Board, especially if it ensures a more efficient use of property in favor of the Association. The agreement about the custody of assets will determine the extent and limits of the powers of the body, which is managing the assets of the Association.
- 7) Management is based on the annual budget approved by the Assembly.
- 8) Further details about governing property management of the Association are contained in internal regulations and other directives of the Association.

Article XVIII.

Institutions and Organizations Established by the Association

The Association for the needs of its business, or its need of its support can set up its own institutions, structures and organizations. In particular:

- 1) The institutions and structures its own internal administration

- 1.1. as the control authorities (e.g. Control and Revision Commission ...)
 - 1.2. internal organs and local governments (such as local associations, regional communities ...)
 - 1.3. as supervisory authorities and inspection authorities (e.g. supervisory committee, examination committee ...)
 - 1.4. security, policing and reinsurance organizations (e.g. organization services for events of the Association, security service, policing service ...)
 - 1.5. arbitration bodies (e.g. the arbitration committee, administrative committee ...)
 - 1.6. Appeal bodies (e.g. the appellate committee, the opinion commission ...)
 - 1.7. Extraordinary appeal bodies (e.g. administrative court, appellate court, Audit Court ...)
- 2) Institutions, structures and organizations to promote the Association, such as sports clubs, leisure clubs, clubs designed for the education, training and research (parallel to societies for naturalists, engineers, astronomers ...) and other
 - 3) Branch associations operating in the spot activities of the Association, such as voluntary dramatist associations, artists associations, associations of creative and investigative writing
 - 4) Branch associations operating outside the place of business of the Association in order to support and promote the Association
 - 5) Unless the internal regulations of the association expressly stated otherwise, the institutions and organizations established by the Association operate and perform its activities in accordance with the founding charter approved by the Assembly, confirmed and issued by the Superior
 - 6) The Association may establish other institutions and organizations other than those mentioned above, unless it is contrary to the Constitution and statutes of the Association

Article XIX.

Termination and Liquidation of the Association

- 1) The Association may dissolve voluntarily on the basis of decisions made on a meeting of its members or for other reasons specified by law.
- 2) Upon termination of the association council shall appoint a liquidator. Appointed liquidator assembles within 20 days of his appointment an inventory of assets of the Association and make it available in an appropriate manner at the headquarters of the association to all members of the association
- 3) Upon termination of the association liquidator settle the debts of the association. Of the remaining assets shall draw up a proposal for the liquidation distribution approved by the Assembly. If the proposal for liquidation distribution is approved, the liquidator is obliged to draw up a new proposal within 20 days from when the Assembly rejected the previous proposal.
- 4) The liquidator shall settle the remaining assets according to the approved proposal for the settlement.

Article XX.

Final Provisions

The text of these Statutes were approved at a membership meeting held on 1/11/2015, which is confirmed by its minutes from 1/11/2015.