



ARTICLES

Národní strojírenský klastr, z.s.

2014

**ARTICLES of
Národní strojírenský klastr, z. s.
(Czech Machinery Cluster, z. s., NSK)**

**Article 1
General Provisions**

1. NSK is a guild of juridical and natural persons, set up and registered as per the Act Nr. 89/2012 Coll., the Civil Code, as amended by later regulations.

**Article 2
Name and Place of Business**

1. Name: Národní strojírenský klastr, z.s. (abbreviated to NSK)
2. Place of business: 703 00 Ostrava – Vítkovice, Ruská 2887/101

**Article 3
Purpose, Mission and Main Activities of NSK**

1. Definition of a Cluster
A cluster is a geographic concentration of interconnected businesses, specialized suppliers and service providers and companies in mechanical engineering and related fields of business and associated institutions.
2. Main Goal of NSK
To create conditions of full utilization of research, development and manufacturing potential in mechanical engineering and tie-in businesses, thus contributing to successful execution of development and social schemes.
To optimize the structure of sectoral business and manufacturing relationships and professional orientation within the cluster, focusing on mechanical engineering and tie-in businesses in the area of the Czech Republic, and, through additional development activities of NSK, to contribute to prosperity and growth of standard of living in the Czech Republic.
3. Main Activities of NSK
 - a) Maintaining and updates of the member register
 - b) Support to innovation and enhancement of competitiveness of NSK members
 - c) NSK advertising
 - d) Services for NSK members:
 - analyses of cooperation relationships, their optimizing, building of product and supplier chains,
 - educational activities (seminars, professional courses),
 - business missions abroad,

- representation of members in fairs and exhibitions both in the Czech Republic and abroad,
 - information services.
- e) Consultancy in the following areas:
- common database of material, work inputs and suppliers,
 - audits of suppliers,
 - system of tendering process evaluation,
 - e-business,
 - certifications and professional certificates,
 - new company strategies,
 - support to innovative processes, research and development,
 - preparation of projects for grants, subsidies, loans, including use of European Union Structural Funds;
 - creation of business strategies and plans.
- f) Support scheme for Czech subcontractors.
- g) Analyses of conditions for business and enforcing of justified interests of NSK members in regional, national and supranational structures.
- h) Support to and creation of regional, energetic, logistic, environmental and export policies in the areas of mechanical engineering (machinery) and metallurgy.
- ch) Co-operation in initiation of common projects and businesses, spin-offs and other forms of NSK members' common business.

Article 4

Membership

1. Membership of NSK is voluntary. A juridical person or a natural person based in the Czech Republic who participates in activities in mechanical engineering (machinery) and/or metallurgical fields in the Czech Republic and who is interested in fulfilment of NSK mission can become a full member. Such persons should actively support and execute the mission and commits themselves to following the Articles of NSK.
2. Membership of NSK does not hinder from membership of other guilds and organizations, whose activities do not interfere with the NSK mission.
3. Commencing of NSK Membership
 - a) An applicant, through filing the membership form, shall apply for admission into membership. He/she also confirms that he/she accepts the Articles, if he is affiliated, and he/she agrees to pay membership fees according to the conditions set out by the Assembly of NSK Members.
 - b) The Executive Board (abbreviated to EB) shall decide on admission by a simple majority of votes given by all its members and the decision is communicated to the applicant in writing. No recitals are necessary.
 - c) The membership is commenced on the day when the membership fee is paid after the EB decision on admission. There is no right to admission.
4. Termination of NSK Membership

- a) The membership shall be terminated due to death, seceding or expelling of a member or due to cessation of a juridical person. Despite seceding from the NSK membership, seceding members are obliged to fulfil all their financial obligations towards NSK arisen during their membership of NSK.
- b) Notification of seceding shall be submitted to the Executive Board in writing.
- c) Should any of members, despite twice repeated call to pay the fee, fail to pay their obligation to pay the annual membership fee within 3 months from sending of the second call, their membership shall be terminated upon the end of this three-month period.
- d) The EB can expel the member for a serious reason by decision of a two-third majority of all its members, provided that serious reason is submitted and documented. The serious reasons include, but not limited to, the following: serious infringement with NSK interests and purpose, breach of the Articles and unfair practices.
- e) Membership termination shall not constitute the right to refund the membership fees for the current accounting period, nor the claims for NSK assets.
- f) The decision on membership termination is communicated to the NSK member in writing.

5. NSK Members' Rights

- a) NSK members have the right to attend the Assembly of NSK Members, to submit proposals and to perform their voting rights under conditions set out herein.
- b) Each member who has paid his/her basic annual membership fee has one vote in the Assembly of NSK Members. The members who have paid two or more basic annual membership fees in the respective year to the date of the Assembly of Members shall have as many votes, as many basic annual membership fees they have paid. The member who has failed to pay the membership fee in the regular term despite the delivered call from the EB can attend the Assembly of Members but without any voting rights in this Assembly. The juridical persons shall perform their voting rights through their statutory authorities or representatives.
- c) Members are entitled to support and consultancy provided by NSK in all issues which fall into the framework of the NSK purpose.
- d) Members have the right to file an appeal to the Assembly of NSK Members against the decision taken by the EB.

6. NSK Members' Obligations

- a) Members shall support NSK and its EB in achieving the goals, programme and tasks of NSK. They commit themselves to adhere to the Articles and to act in accordance with resolutions of NSK authorities.
- b) Members are obliged to pay annual membership fees set out by the EB and approved by the Assembly of Members within the maturity term stated in the invoice.

7. List of NSK Members

- a) NSK shall publish data on its members (the list of members) on its website: <http://www.nskova.cz/>.
- b) Having been approved, information on commencement and existence of NSK membership are published by the cluster manager on NSK website.

- c) Changes and amendments to members' data shall be done by the cluster manager as given by the respective member or when found out.
- d) Members agree with publication of the list of members on the website.

Article 5

Authorities of the Cluster (NSK)

1. Assembly of Members
2. Executive Board (EB)
3. Account Inspector

Article 6

Assembly of Members

1. The Assembly of Members (Members' meeting as per sect. 248 of the Act Nr. 89/2012 Coll., the Civil Code), is the top authority of NSK and it is summoned by the Executive Board at least once a year. An invitation to the session of the Assembly of Members shall be in writing, signed by the president of NSK or a representative authorized by him/her – an EB member, it shall include the exact agenda, date and time of the session and it must be delivered to all NSK members at least 10 days prior to the session date.
2. Members – natural persons or statutory authorities of members–juridical persons or representatives authorized by them – are entitled to attend the Assembly of Members.
3. The Assembly of Members is quorate provided that members having at least 51 % of all votes are present. A special quorate capability is set out in the article 11, section 1, of the Articles (Cancellation and Cessation of NSK). The condition for voting right performance is payment of membership fees for the respective year until the Assembly of Members takes place (see article 4, section 5, subsection b) of the Articles).
At the beginning of the Assembly of Members session, a minutes-keeper and two minutes verifiers are elected.
4. The powers of the Assembly of Members include:
 - approve basic goals of NSK activities,
 - discussing materials of crucial importance,
 - approve reports on EB and NSK activities,
 - discuss and approve final report on economic activities, including the annual accounts and budget proposal; they can authorize the EB to approve the final report on economic activities, including the annual accounts through their resolution,
 - discuss Account Inspector's reports,
 - based on the EB proposal, elect and dismiss the NSK president,
 - propose, vote and dismiss members of the Executive Board and the Account Inspector,
 - ask the EB for summoning of the extraordinary Assembly of Members, provided that at least one-third of NSK members ask for that,
 - approve the Articles, their changes and amendments,
 - approve the amount of membership fees and conditions of their maturity,

- decide on NSK cancellation.
5. Resolutions are taken by the absolute (more-than-a-half) majority of all votes of members present. Only when deciding on cancellation of NSK, setting the amount of the membership fees and changes and amendments to the Articles, the resolutions must be accepted by a two-third majority of all votes of all members present.
 6. The elected minutes-keeper keeps minutes which shall be verified by the elected verifiers. The annex to the minutes shall include the adopted resolutions. All NSK members shall be provided with the minutes.

Article 7

Executive Board

1. The Executive Board (EB) is a statutory authority of the cluster and they control NSK activities.
2. The EB consists of 5 members, the NSK President included, who are elected and dismissed by the Assembly of NSK Members. The exercise of EB member's function cannot be delegated.
If the statutory authority of an NSK member or its member or NSK member's (juridical person's) representative is elected EB member and he/she is later dismissed from his/her position or he/she terminates his/her work relationship to the NSK member – a juridical person – the NSK member shall communicate this dismissal or resignation of such a person to the Executive Board within 15 days. The EB membership of the dismissed person or a person who has resigned shall be terminated.
Should it be the case, the EB can co-opt a new member into the EB. As to co-optation as per article Nr. 7, sect. 5 of the Articles, the EB shall submit the proposal for confirmation of the EB co-opted member as a full EB member.
Each EB member shall be responsible for NSK activities assigned to him/her based on the EB decision.
3. The term of office of the EB, the NSK President included, shall be three years. The EB members shall perform their duties until new members are elected.
4. The EB members can resign from their functions, while their functions cease after two months after the NSK President receives their notification of resignation.
5. The EB whose number of members elected by the Assembly of Members has not fallen under the more-than-a-half majority can appoint new substitute members instead of members whose membership ceased, until the following Assembly of Members is held, where these members will be approved in their functions or new members will be elected.
If the membership of the NSK President ceases or if he/she resigns, the EB shall appoint one of its members to perform the function of the President and they shall summon an extraordinary Assembly of Members to elect a new NSK President as soon as possible.

6. The NSK President is one of EB members. He/she summons and manages the session of the EB. If he/she is not present, the EB shall elect a chairman of the session from EB members.
The EB can be summoned in writing or electronically, so that the EB members receive the invitation at least 7 days before the date of the session. An extraordinary EB session can be summoned in accordance with the provisions of EB Rules of Procedure. The Account Inspector shall also receive the invitation.
7. The EB appoint and dismiss the cluster manager and they determine the fundamental conditions of performance of his/her duties, including remuneration, and they specify conditions for stipulating of work and other contracts with other people collaborating with NSK.
8. The cluster manager is not an EB member and he/she attends the EB session without the right to vote on discussed issues. The NSK President, on behalf of the EB, delegates specific powers necessary for controlling of activities, organization and session for NSK in the current period between EB sessions to the cluster manager.
9. The cluster manager coordinates agenda and preparation of groundwork for EB sessions. The preparation and securing of ordinary activities of NSK in the period between EB sessions is set out in the respective organization documents.
10. The Executive Board shall mainly:
 - elaborate the NSK goals in accordance with resolutions of the Assembly of Members and the Articles,
 - fulfil the specified goals and the agenda adopted by the Assembly of Members,
 - decide on issues of the members,
 - summon the Assembly of NSK members, including its organization,
 - approve the Rules of Organization and Signature Rules of NSK as well as the Rules of Procedure of the EB,
 - approve modifications to the budget up to the amount 20 % of the approved budget, on condition of the balanced budget,
 - propose candidates for the NSK President to the Assembly of Members,
 - approve the salary of the manager and other employees of the cluster and/or bonuses for EB members and the Account Inspector,
 - approve the amount of fees for services,
 - propose changes to the Articles,
 - approve submitting of applications for subsidies, grants and gifts.
11. The EB shall be in session at least once in two months or in a different tem as required.
12. The EB is quorate provided that the session is attended by the absolute (more-than-a-half) majority of members. The EB decisions shall be adopted by a simple majority of all members present, excluding:
 - proposals for cancellation of NSK,
 - expelling of an NSK member,
 - changes to the budget,
 - proposals for the Articles.Should these be the cases, a 3/5 majority of all EB members is required.

13. The EB members shall vote by acclamation – raising their hands. They can vote either “aye”, “nay” or they can abstain from voting. If NSK cancellation is being decided on, they can vote either “aye”, or “nay”.
14. The EB session is governed by the EB Rules of Procedure.
15. Minutes created by the cluster manager are taken from the EB sessions. The minutes signed by the President and the cluster manager, alternatively by the session chancellor and the cluster manager, shall be given to all EB members within 10 days after the EB session. The minutes shall include the EB resolution, including voting for each resolution. The EB session minutes can also be sent by e-mail.
16. The EB shall inform the membership in the report dedicated to the Assembly of Members.

Article 8

Account Inspector

1. The Account Inspector is elected and dismissed by the Assembly of NSK Members. He/she is elected for the period of three years and comes from NSK members.
2. Account Inspector’s duties include checking of account books, documents and annual accounts of NSK.
3. As of 31 December of each year, the account inspector shall make a record of the cash balance and the balance of bank accounts and he/she shall sign the record. He/she shall make a written report of inspection of NSK annual accounts and economic activities and submit the report to the Assembly of Members for approval.
4. The Account Inspector is entitled to check all accounting documents over the year and to report his/her inspections to the EB.
5. The Account Inspector is entitled to attend the EB session with an advisory vote.

Article 9

Financial Management of NSK

1. NSK is a non-profit organization. Its activities are not focused on achieving profits.
2. For execution of its tasks, NSK gets financial resources consisting of:
 - membership fees,
 - fees for services,
 - proceeds from events organized by NSK,
 - gifts,
 - subsidies,
 - interests and proceeds from NSK assets,

- property lease,
 - trademarks.
3. NSK economic activities are limited by the annual budget, which is created by the EB and approved by the Assembly of Members.
 4. Should NSK get specific subsidies or contributions, the resources can be disposed only for the specific purpose. No individual NSK member is entitled to have a share in the assets.
 5. NSK is liable for its obligations only by its assets. Any other personal guarantees of EB individual members or NSK members for obligations are excluded.
 6. An accounting period equals to one calendar year.
 8. Proper financial management of both tangible and intangible assets and NSK financial resources in accordance with the approved budget is the sole responsibility of the NSK President together with the cluster manager.

Article 10 **Acting on Behalf of NSK**

1. The statutory authority is the EB, on behalf of which two members always act. One of the members shall always be the President.
2. Rules of procedure and signatures regarding NSK are detailed in the NSK Rules of Organization, the NSK Signature Rules and the EB Rules of Procedure.

Article 11 **Cancellation and Cessation of NSK**

1. A proposal of the EB of the Assembly of Members through a two-third majority of votes of members present shall decide on cancellation of NSK. The Assembly shall be attended by the absolute (more-than-a-half) majority of all members.
2. While deciding on cancellation of NSK, the Assembly of Members shall also decide on NSK assets.
3. Cessation of NSK is governed by sect. 185 ff. of the Act Nr. 89/2012 Coll., the Civil Code, as amended by later regulations. The Assembly of Members shall decide on the way of liquidation of NSK liquidation proceeds.
4. If NSK is cancelled, it must be also decided on mental property, mainly on NSK name, logo and know-how.

Article 12

Members of the cluster hereby declare that they are acquainted with the budget of the cluster and its financial plan and they commit themselves to make an effort for maximum sustainability of the cluster for at least 5 years from the issuance of the decision to award the subsidy and that they will participate in cluster activities for the period of their membership even when the cluster does not produce enough funds from own resources.

Article 13

Final Provisions

1. Validity of the Articles: The Twelfth Ordinary Assembly of Members on 18 March 2014 approved the amended Articles of Národní strojírenský klastr, z. s.
2. This text of the Article takes effect on the date of approval.