

**SLOVENSKÝ NAFTOVÝ A  
PLYNÁRENSKÝ  
ZVÄZ  
SLOVAK GAS AND OIL ASSOCIATION**

**A MEMBER OF  
INTERNATIONAL GAS UNION**



**STATUTES**

**3<sup>rd</sup> DECEMBER 2009 as amended**

Slovak Gas and Oil Association was established in 1993 as a result of transformation of the former Czechoslovak Gas and Oil Association into two independent legal entities. Following up on the traditions established by Czech and Slovak gas professionals and dating back to 1919, Slovak Gas and Oil Association was accepted as a regular member of the International Gas Union as of 30<sup>th</sup> September 1993.



**STATUTES**  
**Of the Slovak Gas and Oil Association**  
**(“Statutes”)**

**FUNDAMENTAL PROVISIONS**

**Article 1**

- 1.1 Slovak Gas and Oil Association (“**Association**”) is a non-political organisation with specific interests that is associating on voluntary basis the stakeholders in Slovak gas and oil sectors (physical and legal entities) who are actively engaged, or interested in the above industries.
- 1.2 The Association is a legal entity founded through registration with the Ministry of Interior of the Slovak Republic under registration no. VVS/1-2200/90-237 as of 21<sup>st</sup> January 1993 as laid down in Act no. 83/1990 Coll. on Association of Citizens as amended.
- 1.3 For communication with foreign partners, the association uses the English name *Slovak Gas and Oil Association*.
- 1.4 Registered seat of the Association is at Mlynské nivy 44/a, 821 09 Bratislava – Ružinov.
- 1.5 The Association’s emblem is an oval-shaped logotype. On the logotype's upper perimeter is the name of the Association in Slovak language, and on the oval's lower section the name is displayed in English language. In the oval’s centre, there is an ‘S’-shaped curve in white, blue and red.
- 1.6 The Association operates on the whole Slovak territory. Pursuant to the respective generally binding regulations, the Association may carry out its activities also abroad. In places with a larger number of members, the Association may establish information centres for communication with the Association's members. The matters of establishment, scope of operations, and closing down of such respective centres as laid down in the previous sentence are to be decided by the Board.
- 1.7 The Association is a member of the International Gas Union (hereinafter referred to as “**IGU**”). The Association may also become a member of other international organisations operating in gas and/or oil industries. The matters of membership in other organisations as laid down in the previous sentence are to be decided by the Board.
- 1.8 The official language used by the Association is the Slovak language. The correspondence may be conducted also in IGU official language, which is English language.

**OBJECTIVES OF ASSOCIATION’S ACTIVITIES**

**Article 2**

- 2.1 Following are the main objectives of the Association’s activities
  - a) Gas advocacy - i.e. active involvement in advocacy, maintaining the relevance and improving of image of natural gas as an essential component of energy mix while achieving sustainable growth as well as an energy-convenient and ecologically friendly fuel with sufficient resources both globally as well for the Slovak Republic not only individually but also in cooperation with international bodies;

- b) Presentation and support of legitimate interests of Association's members concerning their relations with public and/or private entities;
  - c) Organisation, deepening and coordination of cooperation among Association's members involved in science, research and practice, and provision of assistance in their professional activities;
  - d) Ensuring conditions for satisfying and development of professional interests in gas and oil industry;
  - e) Creation of an environment for open professional discussion aimed to resolve conceptual, technical, economic, legislation-related, and other problems in gas and oil industries through organising conferences, exhibitions, workshops and other professional and social networking events, open for domestic as well as foreign experts, regardless of their membership in the Association
  - f) Participation in increasing of competence and qualification of gas and oil industry workers, experts and students active in these sectors, by applying both domestic as well as foreign expertise
  - g) Obtaining and dissemination of findings and knowledge from both domestic and foreign research in gas and oil industries;
  - h) Supporting cooperation between natural gas and oil experts in the Slovak Republic and those abroad;
  - i) Publishing activity in the Slovak Republic and abroad.
- 2.2 In fulfilling of its tasks, the Association cooperates with public and/or private entities, especially with both, domestic as well as international state agencies and non-state entities, with network industries and utility organisations, professional organisations and associations, universities, and/or research institutes.
- 2.3 In accordance with generally binding regulations, and in order to fulfil its tasks, the Association may establish professional workgroups, as well as business and non-business entities operating primarily in the following fields:
- a) Organising of conferences, educational programmes and lectures;
  - b) Professional consultancy activities;
  - c) Promotion activities, as per scope set forth for non-licensed businesses;
  - d) Publishing activities, as per scope set forth for non-licensed businesses;
  - e) Purchase of goods and their further resale to the end consumer (retail business), as per the scope set forth for non-licensed businesses;
  - f) Purchase of goods and their further resale to other businesses (wholesale business), as per the scope set forth for non-licensed businesses; and
  - g) Settlement and arbitration of disputes involving gas or oil sectors, in which at least one (1) of the involved parties is Association's regular member.

The issues of establishment, scope of activities and dissolution of professional workgroups and entities as laid down above shall be decided by the Presidium, which also decides on the execution of the respective Association's rights in such entities

## **MEMBERSHIP**

### **Article 3**

- 3.1 Membership in the Association is
- a) Individual membership;
  - b) Collective membership; a
  - c) Honorary membership.
- 3.2 Individual members of the Association and collective members of the Association are regular Association members.

### **Article 4**

#### **Individual membership**

- 4.1 Individual member of the Association can be any natural person who works or is otherwise active in gas and/or oil industries, or any person interested in these sectors, which duly fills-in and files an application for individual membership in the Association, with testimonials from at least two (2) individual Association members.
- 4.2 Pursuant to the provisions of Paragraph 4.1 of these Statutes, individual membership commences upon person's acceptance as a member of the Association following the due and timely payment of an individual Association membership fee for the respective calendar year. The decision on the membership acceptance is taken by the Council within sixty (60) days from the delivery of the application (as laid down in the Paragraph 4.1 of these Statutes) to the Executive Director. Membership fee is payable within thirty (30) days from the date of notification of the acceptance of the decision referred to above.
- 4.3 Individual membership in the Association ceases to exist
- a) Through delivery of a written termination notice announcing the Association's individual member's termination of its individual membership in the Association, addressed to the Executive Director;
  - b) On September 30th of the respective calendar year, in which the Association's individual member, despite being called upon, fails to meet its obligation pursuant to the provisions of Paragraph 4.5., Item g) of these Statutes;
  - c) As a result of death of the individual member of the Association;
  - d) Through decision of the Council on expulsion of the Association's individual member from the Association that is taken based on the Auditing Committee's standpoint concerning a serious breach of Statutes by the said individual member;
  - e) Through winding up of the Association as per the provisions of Paragraph 17.1. of these Statutes.

4.4 Individual member of the Association is entitled to the following:

- a) To be notified of any terms, places, agenda, and content of sessions to be held by the Association's bodies, as laid down in these Statutes, and of other events organised by the Association;
- b) To submit motions and remarks to the sessions held by Association's bodies through Executive Director;
- c) To propose to the Council objectives of Association's activities through Executive Director
- d) To take part in the Congress sessions;
- e) In accordance with the Statutes, to vote or abstain from voting at the Congress sessions;
- f) In accordance with the Statutes, to elect members of the respective Association's bodies;
- g) In accordance with the Statutes, to be elected in the respective Association's bodies provided its nomination had been supported at least by twenty (20) Association's individual members;
- h) Turn to Association's bodies in resolving professional issues and problems as well as in relation to advocacy of the rights and interests of the Association member;
- i) To participate in sessions of the Working Committees as an observer. Pursuant to the previous sentence the individual member shall have the right to pass comments and observations during such sessions, in case the comment concerns a motion or remark that the member had delivered to the Working Committee through the Executive Director at least fifteen (15) days prior to its session, and provided the Chairman of the Working Committee had passed the floor to this member;
- j) To actively participate in the fulfilment of Association's action plan through the respective Association's bodies, and participate in events organised by the Association;
- k) To be informed on the Association's status, its economic performance, activities of Working Committees and Auditing Committee performed during the previous Council's office term;
- l) Subject to the terms and conditions stipulated by the Association's bodies the right to use its facilities, as well as benefits provided by the Association;
- m) To submit to the Council through the Executive Director nominations for Honorary membership in the Association.

4.5 Individual member of the Association is obliged to the following

- a) To advocate for Association's interests and to strive for professional as well as social excellence and prestige of the Association;
- b) To observe the Statutes and respect resolutions, decisions, instructions and appeals of the Association's bodies, appointment of members and cessation of membership in the

Association, and/or appointment of members and cessation of membership in the Association's bodies;

- c) Upon Auditing Committee's request provide assistance to it as per the Paragraph 13.8., Item b) of these Statutes;
- d) Act in line with the provisions of Paragraph 13.8., Item d) of these Statutes;
- e) Abstain from actions that could contradict the Association's agenda;
- f) Abstain from any actions that would impair Association's interests;
- g) To pay membership fees for individual membership in the Association for the respective calendar year in the amount as per the Paragraph 8.2., Item a), Clause 5. of these Statutes, and to do so until April 30 of the respective calendar year at the latest. Neither the membership fees for individual membership in the Association, nor their parts are refundable.

## **Article 5**

### **Collective Membership**

- 5.1 A collective member can be any legal person or natural person-entrepreneur active in gas and/or oil sector, or in sectors related with gas and/or oil sector, which submits to the Association a duly filled application to become a collective member of the Association.
- 5.2 Pursuant to the provisions of Paragraph 5.1. of these Statutes, collective membership commences upon entity's acceptance as a collective member of the Association as of the day of passing the decision on accepting this entity's membership and following the conclusion of a framework agreement in accordance with the provisions of Paragraph 5.3. of these Statutes, and due and timely payment of the membership fee for the collective membership in the Association for the respective calendar year as specified in the above agreement, unless the concerned entity is an entity referred to in the Paragraph 5.6., Item g), second sentence of these Statutes, which is exempt from payment of collective Association membership fee. The decision on the membership acceptance is taken by the Council within sixty (60) days from the delivery of the application (as laid down in provisions of Paragraph 5.1. of these Statutes) to the Executive Director. As laid down in the first sentence above, the membership fee is payable within thirty (30) days from the date of conclusion of the Agreement as laid down in the Paragraph 5.3. of these Statutes, unless the said Agreement specifies otherwise.
- 5.3 Mutual relations between a collective member of the Association and the Association itself, fixed in the Statutes, are governed in details by the Framework Agreement on the collective membership in the Association.
- 5.4 Collective membership in the Association ceases to exist as a result of any of the following:
  - a) Through delivery of a written termination notice announcing the Association's collective member's termination of its collective membership in the Association, addressed to the Executive Director;
  - b) On September 30<sup>th</sup> of the respective calendar year, in which the Association's collective member, despite being called upon, fails to meet its obligation pursuant to the provisions of Paragraph 5.6, Item g) of these Statutes;

- c) As a result of cessation of existence of the Association's collective member without any legal successor;
- d) Through decision of the Council on expulsion of the Association's collective member from the Association, taken based on the Auditing Committee's standpoint concerning a serious breach of Statutes by the said collective member.
- e) Through winding up of the Association as laid down in the provisions of Paragraph 17.1. of these Statutes.

5.5 The Association's collective member shall be entitled to the following:

- a) To be notified of any terms, places, agenda, and content of sessions to be held by the Association's bodies, as laid down in these Statutes, and of other events organised by the Association;
- b) To submit motions and remarks through the Executive Director to the sessions held by Association's bodies;
- c) To propose the objectives of Association's activities to the Council through Executive Director
- d) To take part through its authorised proxy in the Congress sessions, whereas in addition to such authorised proxy, the Association's collective member may send to the Congress session up to ten (10) natural persons who are either contracted employees or similar partners of the said Association member
- e) In accordance with the Statutes, through its authorised proxy to vote or abstain from voting at the Congress sessions;
- f) In accordance with the Statutes through its authorised proxy nominate or elect members of the respective Association's bodies;
- g) Addressing and turning to Association's bodies in resolving of technical problems, and in representing and advocating rights and interests of an Association member;
- h) The right to eventually participate through its authorised proxy in any sessions of the Working Committees as an observer. Pursuant to the previous sentence, any collective member shall have the right to ask the Working Committee Chairman to present own motions or remarks at such session in justified cases;
- i) To actively participate in the fulfilment of Association's action plan through the respective Association's bodies, and during events organised by the Association;
- j) To be informed on the Association's status, its economic performance, activities of Working Committees and Auditing Committee during the previous Council's office term;
- k) Subject to the terms and conditions stipulated by the Association's bodies the right to use its facilities, as well as advantages the Association offers;
- l) To submit to the Council through the Executive Director nominations for Honorary membership in the Association

- m) To use the results of Association's activities, including benefits obtained through membership in IGU and through international interactions;
- n) To display membership in the Association next to its business name.

5.6 Any collective member of the Associations shall have the following obligations:

- a) To advocate for Association's interests and to strive for supreme professional as well as social excellence and prestige of the Association;
- b) To observe the Statutes and respect resolutions, decisions, instructions and appeals of the Association's bodies, appointment of members and cessation of membership in the Association, and/or appointment of members and cessation of membership in the Association's bodies;
- c) Upon the Auditing Committee's request provide assistance to it as per the Paragraph 13.8. Item b) of these Statutes;
- d) Act in line with the provisions of Paragraph 13.8., Item d) of these Statutes;
- e) Abstain from actions that could contradict the Association's agenda and programme;
- f) Abstain from any actions that would damage Association's interests;
- g) To pay membership fees for collective membership in the Association for the period specified in the Framework Agreement as per the Paragraph 5.3. of these Statutes, and to do so at latest until September 1st of the respective calendar year (hereinafter referred to as **"Paying Collective Member of the Association"**), unless the said membership fee is governed by the Paragraph 5.2. of these Statutes, which is due as laid down in the Paragraph 5.2. of these Statutes. The obligation to pay membership fee pursuant to the provision under this Item does not apply to universities or scientific and/or research institutions (hereinafter referred to as **"Non-Paying Collective Member of the Association"**). Neither the membership fees for collective membership in the Association, nor their parts are refundable;
- h) To create for individual members of the Association that are engaged with such collective member of the Association either as contracted employees or in a similar relation conditions supporting compliance with their obligations arising from their individual membership in the Association, and from activities they carry out in the Association's bodies.

## **Article 6**

### **Honorary Membership**

- 6.1 The title of honorary member can be conferred on any physical persons, who had been actively working for many years in the gas sector or oil sector, or which had rendered exceptional services to the development of the Association.
- 6.2 A person can be bestowed honorary membership in the Association pursuant to the Paragraph 6.1. of these Statutes upon the approval of the Council's motion seeking bestowing of an honorary membership in the Association to such person by the Congress. Such motion is submitted to the Congress pursuant to Paragraph 9.8. Item b) of these Statutes provided said person grants consent with such nomination

6.3 Honorary membership in the Association ceases by any of the following:

- a) Through a delivery of a written notice to the Executive Director from an honorary member of the Association, announcing the termination of its honorary membership in the Association;
- b) Through the death of an honorary member of the Association;
- c) Through approval of the Council's motion seeking withdrawal of an honorary membership in the Association by the Congress, provided on the concerned person's side emerged circumstances that the Congress does not deem to be compatible with the honorary membership in the Association;
- d) Through dissolution of the Association as per the Paragraph 17.1. of these Statutes.

6.4 Honorary member of the Association is entitled to the following:

- a) To be notified of any terms, places, agenda, and content of sessions to be held by the Association's bodies, as per these Statutes, and of other events organised by the Association;
- b) To submit through Executive Director motions and remarks to the sessions held by Association's bodies;
- c) To propose the objectives of Association's activities to the Council through Executive Director
- d) To take part in the Congress sessions;
- e) In resolving technical problems, the right to address Association's bodies;
- f) The right to participate in any potential sessions of the Working Committees as an observer. Pursuant to the previous sentence, an honorary member shall have a right to share their viewpoint, provided the session deals with motions or remarks the honorary member had submitted to the Working Committee through the Executive Director at least fifteen (15) calendar days prior to the session, and provided the Working Committee Chairman passes such honorary member the floor;
- g) To participate in events organised by the Association;
- h) Subject to the terms and conditions stipulated by the Association's bodies the right to use its facilities, as well as advantages the Association offers.

6.5 Honorary member of the Association has the following obligations:

- a) to observe the Statutes and respect resolutions, decisions, instructions and appeals of the Association's bodies, appointment of members and cessation of membership in the Association, and/or appointment of members and cessation of membership in the Association's bodies;
- b) To abstain from actions that could contradict the Association's agenda;
- c) To abstain from any manifestations that will impair Association's interests;



## **ASSOCIATION'S BODIES**

### **Article 7**

7.1 Bodies of the Association are the following:

- a) Congress;
- b) Council;
- c) Presidium and its advisory bodies
- d) Working Committees;
- e) Executive Director;
- f) Auditing Committee.

### **Article 8**

#### **Congress**

8.1 The Congress is the supreme body of the Association. The Congress is attended by all members of the Council, Working Committee Chairmen, Auditing Committee Chairman and the Executive Director. All members of the Association and guests invited by the Council shall have the right to participate in the Congress sessions. A collective member is represented at the Congress by its authorised proxy, whom such member announces to the Council through the Executive Director at least fifteen (15) calendar days prior to the first day of the Congress session. In addition to the authorised proxy as laid down in the previous sentence, any collective member of the Association may send to a Congress session the maximum of ten (10) natural persons who are either contracted employees or in a similar relation to such Association member.

8.2 The Congress

- a) Approves the following through its resolutions:
  - 1. Draft new Statutes, or proposed amendments of the Statutes, provided these are on the agenda of the Congress session, and they had been submitted by the Council and provided that this amendment does not concern proposed amendments of the Statutes that are subject to the decision of the Council pursuant to paragraph 9.8 Item e) of the Statutes or of the Presidium pursuant to the Paragraph 10.6 Item c) Clause 12 of the Statutes;
  - 2. Draft Congress session agenda submitted by the Council;
  - 3. Draft Session Code applicable to the Congress, and/or Election Code to be followed by the Congress in cases, which require more detailed preparation of the Congress session, and/or voting during the Congress session, proposed by the Council;
  - 4. Proposed Association's activity objectives for the upcoming period of three (3) calendar years, submitted by the Council;

5. The amount of individual membership fee for membership in the Association in case the Council files such motion with the Congress;
  6. Council's motion to award or withdraw an honorary membership in the Association in case the Council files such motion with the Congress;
  7. Council's motion to nominate a bankruptcy trustee as per the provisions of Paragraph 17.1. of these Statutes
- b) Acknowledges the following through its resolutions:
1. Association President's Report on Association's activities pursuant to the provisions of Paragraph 10.7., Item c) of these Statutes for the period starting with the most recent session of the Congress, pursuant to the provisions of Paragraph 8.3. of these Statutes;
  2. Association Economic Manager's Report on the Association's economic performance pursuant to the provisions of Paragraph 14.4. of these Statutes, for the period starting with the most recent session of the Congress, pursuant to the provisions of Paragraph 8.3. of these Statutes;
  3. Report of the Chairmen of the Association's Working Committees pursuant to the provisions of Paragraph 11.6., Item b) of these Statutes, for the period starting with the most recent session of the Congress, pursuant to the provisions of Paragraph 8.3. of these Statutes;
  4. Report of the Chairman of the Association's Auditing Committee pursuant to the provisions of Paragraph 13.9., Item a) of these Statutes, for the period starting with the most recent session of the Congress, pursuant to the provisions of Paragraph 8.3. of these Statutes;
- c) Nominates and/or elects the following pursuant to these Statutes
1. Working Congress Presidency pursuant to the Paragraph 8.7 of these Statutes;
  2. Members of the Council pursuant to the provisions of Paragraph 9.4 Item a) to e) and provisions of Paragraph 9.5 Item a) to c) of these Statutes;
  3. Members of the Auditing Committee pursuant to the provisions of Paragraph 13.4 Item a) to c) and provisions of Paragraph 13.5 Item a) and b) of these Statutes;
- d) Takes decision on the following:
1. On the dissolution of the Association, and on the use of the assets after dissolution pursuant to the provisions of Paragraph 17.1. of these Statutes in case the Council files such motion with the Congress;
  2. On the expulsion of a Council's member elected pursuant to the provisions of Paragraph 9.5, Item b) of these Statutes, elected pursuant to the provisions of Paragraph 9.3, Item d) of these Statutes, appointed pursuant to the provisions of Paragraph 9.3, Item e) of these Statutes, or co-opted pursuant to the provisions of Paragraph 9.6, Item b) of these Statutes, based on the statement of the Auditing Committee pursuant to the provisions of Paragraph 13.8, Item e), Clause 1. of these Statutes;

3. On the expulsion of an Auditing Committee member elected pursuant to the provisions of Paragraph 13.5, Item b) of these Statutes, or co-opted pursuant to the provisions of Paragraph 13.6, Item b) of these Statutes, based on the statement of the Auditing Committee pursuant to the provisions of Paragraph 13.8, Item e), Clause 2. of these Statutes;
  4. On principal proposals that concern the objectives of the Association's activities, whereas the relevance of these proposals is to be reviewed by the Council.
- 8.3 A session of the Congress shall be convened by the Council once in three (3) years. The venue and time of the Congress session together with the proposed agenda of the Congress shall be announced to the members of the Association and to invited guests by the by the Executive Director at least thirty (30) calendar days prior to the session of the Congress. Members of the Association shall have the right to submit their proposals concerning the Congress sessions' agenda, and the respective regular members of the Association shall have the right to submit to the Council through the Executive Director nominations as laid down in the provisions of Paragraph 9.5., Items a) through c) and/or the provisions of Paragraph 13.5., Items a) to b) of these Statutes, and they shall do so at latest fifteen (15) calendar days prior to the first day of the Congress session. The Council shall present the final text of proposals as laid down in the above sentence at latest eight (8) calendar days prior to the first day of the Congress session. The issues that had not been included in the agenda of the Congress session pursuant to the procedure referred to in this paragraph, can be discussed during the Congress only subject to the presence and consent granted by all regular members of the Association.
- 8.4 The right to vote at the Congress session shall have any regular member that has registered their presence at the Congress on the first day of the Congress session, and has done so at the latest prior to the opening of the Congress session, with the Executive Director or with a person authorised by the Council, which was fixed in the list of Association's Registered Members, and provided such member has as at such date paid its membership fees for the respective individual membership in the Association pursuant to the Paragraph 4.5., Item g) of these Statutes, or a collective membership in the Association pursuant to the Paragraph 5.6., Item g) of these Statutes, which it was supposed to pay for the previous three (3) calendar years, including the calendar year, when is the session of the Congress held (hereinafter referred to as "**Registered member**"). During the Congress, the Registered member, which is a collective member of the Association, votes at the Congress though its authorised proxy pursuant to the Paragraph 8.1. of these Statutes. The rights and obligations of the Registered member that is an individual member of the Association, and at the same time an authorised representative as laid down in the previous sentence, are not affected by this. The Congress constitutes a quorum if as at the date when the Congress session is held, the sum of membership fees paid by the Registered members for the previous three (3) calendar years, including the calendar year when the Congress session is held, represents at least one half ( $\frac{1}{2}$ ) of all membership fees of all Association members that are payable for the identical period of time.
- 8.5 Unless otherwise stipulated in these Statutes, the Registered members vote at the session of the Congress through public voting. The Registered member that is not an individual member of the Association, or which is a Non-paying collective member of the Association, shall have during voting at the session of the Association a single (1) vote. The Registered member that is a Paying collective member of the Association, shall have during voting at the session of the Congress such number of votes that is equal to the proportion of the paid membership fees that the said collective member had paid for the collective membership in the Association for the previous the previous three (3) calendar years, including the calendar

year when the Congress session is held, and the sum of all membership fees pursuant to the provisions of Paragraph 8.2., Item a), Clause 5 for the same time period.

- 8.6 Unless otherwise stipulated in these Statutes, the Congress adopts its resolutions and/or decisions though absolute majority of Registered members' ballots, calculated pursuant to the Paragraph 8.5. of these Statutes. The Congress adopts resolutions pursuant to the provisions of Paragraph 8.2., Item a), Clause 1, and provisions of Paragraph 8.2., Item d), Clause 1 of these Statutes, with at least two-third (2/3) majority of all Registered members, calculated pursuant to the Paragraph 8.5. of these Statutes. Voting pursuant to the provisions of Paragraph 8.2., Item c), Clauses 1 and 3 of these Statutes shall elect the nominee that gets a greater numbers of votes of Registered members that are eligible to cast their ballots in such elections pursuant to these Statutes. The Congress adopts the resolution pursuant to the provision of Paragraph 8.2., Item a) Clause 6 of these Statutes, and decision on expulsion pursuant to the provision of Paragraph 8.2., Item d), Clauses 2. and 3. of these Statutes with at least two-third (2/3) majority of all Registered members. The provisions of Paragraph 8.5. of these Statutes shall reasonably apply to voting as laid down in the two (2) previous sentences. The Congress can regulate the details of the course of voting during the Congress sessions in the Session Order, and/or in the Congressional Election Order.
- 8.7 The Executive Director, or other person authorised by the Council, shall open the Congress on the first day of the Congress session, provided the condition as per the provision of Paragraph 8.4. of these Statutes has been met, and the Congress session had been called in accordance with the Statutes. The Executive Director shall notify the participating members of the Association and guests of the fact that the Congress comprises a quorum and they shall chair the Congress session until the election of a working Congressional chairmanship. The working Congressional chairmanship consists of the following members: Congress Chairman, minutes clerk, two (2) verifiers of minutes from the Congress session, and persons authorised to count ballots during the Congress session. After the election of the working Congressional chairmanship, the Congress session chair is taken over by Congress Chairman. The Congress can regulate the details of the course of Congress session in the Congressional Session Order. After discussing all items of the session agenda the Chairman of the Congress adjourn the Congress session. In case that conditions laid down in the first sentence are not met, the person who opened the Congress session pursuant to the first sentence will announce the fact to the present Association members and guests, this person will then adjourn the session, and make a record of thee above facts.
- 8.8 The Chairman of the Congress shall make sure that the course of the Congress session is fixed (without any undue delay) in the minutes that shall include the following
- a) Association identification data;
  - b) Venue and time of the Congress session;
  - c) List of Registered members of the Association in accordance with the Paragraph 8.4. of these Statutes;
  - d) The name of a Chairman of the Congress, the name of the minute clerk, the names of verifiers of minutes from the Congress session, and the names of persons authorised to count ballots at the Congress;
  - e) Approved draft agenda of the Congress session;
  - f) Copy of the discussion on the Congress session agenda;
  - g) Congress resolutions with specified results of voting on said resolutions, and

- h) Own signatures of the Chairman of the Congress, minutes clerk, verifiers of minutes from the Congress session, as well as persons authorised to count ballots at the Congress.
- 8.9 All the records pursuant to the provision of Paragraph 8.7. of these Statutes, or minutes pursuant to the provision of Paragraph 8.8. of these Statutes, including their appendices, as well as all documents submitted or discussed during the Congress shall be archived in accordance with generally binding regulations until the Association dissolution under the responsibility of the Executive Director. Notification of any record or minutes pursuant to the previous sentence shall be taken care of (without any undue delay) by the Executive Director.
- 8.10 The Presidium shall call an extraordinary session of the Congress (off the period specified in the provisions of Paragraph 8.3. of these Statutes) in the following cases, if
  - a) In case of such circumstances in the Association's activities that the Presidium deems to be serious and resolving of such circumstances requires involvement of the Congress;
  - b) Due to the termination of Council membership of the respective number of Council members that threatens to cause that the Council will not be able to vote in accordance with the provision of Paragraph 9.12. of these Statutes;
  - c) Due to the termination of Auditing Committee membership of the respective number of Auditing Committee members that threaten to cause that the Auditing Committee will not be able to vote in accordance with the provisions of Paragraph 9.12. of these Statutes;
  - d) Provided the Presidium is required in writing to call a Congress session through Executive Director by at least one half ( $\frac{1}{2}$ ) of all individual members of the Association, provided they simultaneously submit the session agenda of the Association;
  - e) Provided the Presidium is required in writing to call a Congress session through Executive Director simultaneously by such number of Paying collective members of the Association, whose total sum of the membership fees for the period of one (1) calendar year that preceded the calendar year when was the Executive Director served such application, represents at least one fifth ( $\frac{1}{5}$ ) of the total amount of such membership fees of all Paying collective members of the Association for the same period of time, provided they simultaneously submit the session agenda of the Association;
  - f) Provided the Presidium is asked in written to convene a Congress (through Executive Director) by the Auditing Committee.
- 8.11 If due to the cessation of the Association President's membership in the Presidium pursuant to the provisions of Paragraph 10.5., Item a), Clause 2., or Paragraph 10.5., Item b) of these Statutes, the Congress session cannot be called in accordance with the provisions of Paragraph 8.3. or 8.10., Items a) through f) of these Statutes, the Congress shall be called by the Executive Director.

- 8.12 Pursuant to the provisions of Paragraph 8.10, Items b) through f) of these Statutes the Congress shall be called by the Presidium not later than within sixty (60) days following the date when was consummated the fact that was material for calling the Congress, the Congress (pursuant to the Paragraph 8.11. of these Statutes) shall be called by the Executive Director, not later than within sixty (60) days following the date, when the latter from the cessations materialised as laid down in the Paragraph 8.11. of these Statutes. Otherwise the Congress shall be called on the last day of such term. The provisions of these Statutes that relate to the Congress, shall reasonably apply to the Congress pursuant to the Paragraph 8.10., or provisions of Paragraph 8.11. of these Statutes.

## **Article 9**

### **The Council**

- 9.1 The Council and the Presidium constitute the Association's governing bodies between the individual Congress sessions. The Council shall consist of the maximum of twenty-four (24) members nominated, elected or appointed as laid down in these Statutes for a three-year office term, or co-opted pursuant to these Statutes for the remaining part of the office term, unless these Statutes stipulate otherwise.

- 9.2 A Council member may only be an irreproachable natural person who (is)

- a) An individual member of the Association;
- b) As of the first day of the Congress session either a contracted employee, or has any similar relation to any Association collective member that had nominated this person as a member of the Council pursuant to the provisions of Paragraph 9.4., Items a) through e) of these Statutes; or which had nominated it as a member of the Council based on the results of elections pursuant to the provisions of Paragraph 9.5., Items a) and c) of these Statutes;
- c) Association President, provided that the nominee was elected as the President, who at the time of such elections had not been a member of the Council, or
- d) Past-President of the Association.

An irreproachable person as laid down in the previous sentence is a person who had not been validly convicted for any intentionally conducted crime.

- 9.3 Council membership arises as follows

- a) Through nomination at the session of the Congress pursuant to the Paragraph 9.4. of these Statutes;
- b) Through nomination at the session of the Congress based on the results of elections pursuant to the Paragraph 9.5., Items a) or c) of these Statutes;
- c) Through election at the session of the Congress based on the results of elections pursuant to the Paragraph 9.5., Item b) of these Statutes;
- d) Through appointment as Past-President pursuant to the Paragraph 10.3., Items b) or c) of these Statutes;
- e) Through co-opting at the session of the Council pursuant to the Paragraph 9.6. of these Statutes.

9.4 The following shall be entitled to make nominations during the Congress session

- a) Any Registered member (which has the right to nominate three (3) Council members), which is a collective member of the Association, actively operating in gas industry, the sum of the paid membership fees of which for the collective membership in the Association for the period of three (3) previous calendar years, including the calendar year when is held the Congress session, represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time;
- b) Any Registered member (which has the right to nominate three (3) Council members), which is a collective member of the Association, actively operating in oil industry, the sum of the paid membership fees of which for the collective membership in the Association for the period of three (3) previous calendar years, including the calendar year when is held the Congress session, represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time;
- c) Any Registered member (which has the right to nominate three (3) Council members), which is a collective member of the Association, but it is not a Registered member pursuant to the Items a) and b) above, and the sum of all the membership fees of which for the collective membership in the Association for the period of three (3) previous calendar years, including the calendar year when is held the Congress session, represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time; whereas in terms of the size of individual shares, the shares of Registered members pursuant to the Items a) and b) above are disregarded;
- d) Any Registered member (which has the right to nominate three (3) Council members), which is a collective member of the Association, but it is not a Registered member pursuant to the Items a) and b) above, and the sum of all the membership fees of which for the collective membership in the Association for the period of three (3) previous calendar years, including the calendar year when is held the Congress session, represents the second largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time; whereas in terms of the size of individual shares, the shares of Registered members pursuant to the Items a) and b) above are disregarded;
- e) Any Registered member (which has the right to nominate one (1) Council member), which is a collective member of the Association, but it is not a Registered member pursuant to the Items a) and b) above, and the sum of all the membership fees of which for the collective membership in the Association for the period of three (3) previous calendar years, including the calendar year when is held the Congress session, represents the third largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time; whereas in terms of the size of individual shares, the shares of Registered members pursuant to the Items a) and b) above are disregarded.

Any Registered member pursuant to the provision a) to e) above may transfer its right as per this Paragraph to another Registered member, which is a Paying collective member of the Association.

9.5 The right to participate in elections during the Congress sessions

- a) The right to elect six (6) Paying collective members of the Association with the right to nominate one (1) member of the Council at the Congress session shall vest with any Registered members that are Paying collective members of the Association, and that simultaneously are not collective members of the Association pursuant to the provision of Paragraph 9.4., Items a) to e) of these Statutes, and they can do so from among the candidates, who are such Registered members of the Association, and provided these candidates had announced their nomination through the Executive Director to the Council at least fifteen (15) calendar days prior to the first day of the Congress session;
- b) The right to elect two (2) members of the Council shall vest with any Registered members who are Individual members of the Association, and they can do so from among candidates, who had been pursuant to the provisions of Paragraph 4.4., Item g) of these Statutes, nominated in writing through the Executive Director to the Council at least fifteen (15) calendar days prior to the first day of the Congress session;
- c) the right to elect one (1) Non-Paying collective member of the Association with the right to nominate one (1) member of the Council at the Congress session shall vest with any Registered members that are Non-Paying collective members of the Association, and they can do so from among candidates who are such Registered members of the Association, provided they had announced their nomination through the Executive Director to the Council at least fifteen (15) calendar days prior to the first day of the Congress session.

Pursuant to the provision in the Item a) and/or c) above, the respective Collective member of the Association may transfer its right as per such provisions to another Registered member, which is a respective Collective member of the Association. In case if Registered members, pursuant to the provisions of Item a) above, do not elect the respective number of Paying collective members of the Association pursuant to the provision in Item a) above, the respective right to make nominations for the respective Council member positions unoccupied in the elections, shall be reasonably transferred to such individual Paying collective members of the Association that had received the highest number of ballots in such elections. Should the Registered members pursuant to the provision in the Item b) above fail to elect the respective number of Council members pursuant to the provision in the Item b) above and/or the Registered members pursuant to the provision in the Item c) above fail to elect the respective Non-paying collective member of the Association pursuant to the provision in the Item c) above, the positions of the respective Council members remain unoccupied until the end of the respective Association's office term. In case of equal number of votes during elections as per this Paragraph, the decisive factor is the duration of Association membership of the respective Association member.

9.6 In case of termination of a Council membership of any Council member pursuant to the Paragraph 9.3. Items d) or e) of these Statutes, with the exception of a Council member as per the Paragraph 9.7. Items d) of these Statutes, The Council shall co-opt for the remaining part of said person's office term a new member of the Council,

- a) And it will do so either based on the nomination raised by a Paying collective member of the Association that had nominated any such above Council member; or
- b) who (based on the results of the respective elections leading to election of such resigning Council member) ranked second, right after the above resigning Council member.



In case of co-opting as laid down above, the provisions of Paragraph 9.5 of these Statutes shall apply reasonably.

9.7 Membership in the Council terminates in the following cases:

- a) For all Council members
  - 1. Simultaneously with the expiration of the Council's office term, at the moment of notification pursuant to the Paragraph 8.7. of these Statutes in case of a Congress session called as laid down in the first sentence of the provisions of Paragraph 8.3., of these Statutes;
  - 2. Simultaneously with the expiration of the Council's office term, at the moment of notification pursuant to the Paragraph 8.7. of these Statutes in case of a Congress session called as laid down in the provisions of Paragraph 9.10., Item b) of these Statutes;
  - 3. Through dissolution of the Association as per the provisions of Paragraph 17.1. of these Statutes;
- b) For a Council member
  - 1. Through the delivery of a written notice of a Council member to the Executive Director on the termination of such member's membership in the Council;
  - 2. Through the death of a Council member;
- c) for a Council member that had been elected as a member of the Council by individual members of the Association pursuant to the provisions of Paragraph 9.5., Item b) of these Statutes, or co-opted by the Council pursuant to the provisions of Paragraph 9.6., Item b) of these Statutes,
  - 1. On the date when the concerned person lost his/her capability to be a member of the Council pursuant to the provisions of Paragraph 9.2., Item a) of these Statutes otherwise than laid down in the Item b), Clause 2. above;
  - 2. On the date when the Congress decided to expel such member of the Council pursuant to the Paragraph 8.2., Item d), Clause 2. of these Statutes;
- d) For a Council member that had been nominated as a member of the Council by a collective member of the Association pursuant to the provisions of Paragraph 9.4., Items a) through e) of these Statutes, or pursuant to the provisions of Paragraph 9.5., Items a) through c) of these Statutes, or which had been co-opted by the Council pursuant to the provisions of Paragraph 9.6., Item a) of these Statutes,
  - 1. On the date of delivery of a written dismissal notice, concerning such Council member, by such member of the Association to the Executive Director;
  - 2. On the date of cessation of a collective membership of such member of the Association pursuant to the provisions of Paragraph 5.4. of these Statutes;
- e) For a Council member that had been appointed member of the Council pursuant to the provisions of Paragraph 9.3., Item d) of these Statutes, on the date the Congress decided on expulsion of such member from the Council pursuant to the provisions of Paragraph 8.2., Item d), Clause 2. of these Statutes.

9.8 The Council

- a) In relation to the Congress
  - 1. Receives notifications from a collective member of the Association pursuant to the provisions of Paragraph 8.1., third sentence of these Statutes;
  - 2. Authorises a person, pursuant to the provision of Paragraph 8.4. of these Statutes, in cases, when the Executive Director cannot, due to objective reasons, carry out their responsibilities as laid down in these provisions;
- b) Shall submit to the Congress for approval the following drafts
  - 1. Draft new Statutes or proposed amendments of Statutes, provided they are supposed to be item on the agenda of the respective Congress session and that these Statutes do not entrust the decision on the amendment to the Council or the Presidium;
  - 2. Draft Congress session agenda, which the Council adopted in accordance with the procedure pursuant to the provision of Paragraph 8.3. of these Statutes;
  - 3. Draft Congress Session Order, and/or Election Order in cases when it is necessary to amend the course of the Congress session and/or voting during the Congress session in greater detail;
  - 4. Draft Congress action plan objectives for the upcoming three (3) calendar years, which can be composed of proposals from individual members of the Association pursuant to the provision of Paragraph 4.4., Item c) of these Statutes, and from collective members of the Association pursuant to the provision of Paragraph 5.5., Item c) of these Statutes, and/or honorary members of the Association pursuant to the provision of Paragraph 6.4., Item c) of these Statutes;
  - 5. Proposed amount of the membership fee for individual membership in the Association;
  - 6. Motions suggesting awarding of an honorary membership in the Association pursuant to the provision of Paragraph 6.2. of these Statutes;
  - 7. Motions seeking withdrawal of an honorary membership in the Association, pursuant to the provisions of Paragraph 6.3 Item a) of these Statutes provided the Council accepted such motion;
  - 8. Motion suggesting nomination of a bankruptcy trustee pursuant to the provisions of Paragraph 17.1. of these Statutes;
  - 9. The Council shall submit to the Congress a motion concerning the dissolution of the Association or its property settlement pursuant to the provision of Paragraph 17.1. of these Statutes, provided the Council accepted such motion;
- c) The Council shall take decision on the following:
  - 1. Establishment, scope of activities and cancellation of Information Centres as per the provision of Paragraph 1.6. of these Statutes;

2. Membership of the Association in other organisations pursuant to the provisions of Paragraph 1.7 of these Statutes;
  3. Expelling of an individual member of the Association pursuant to the provision of Paragraph 4.3. Item d) of these Statutes, or a collective member of the Association pursuant to the provision of Paragraph 5.4., Item d) of these Statutes;
  4. Granting an individual membership in the Association pursuant to the provisions of Paragraph 4.2. of these Statutes, or a collective membership in the Association pursuant to the provisions of Paragraph 5.2. of these Statutes;
  5. Conclusion of an Agreement pursuant to the provision of Paragraph 5.3. of these Statutes, including its appendices;
  6. Awarding of a prize of the Association and the Association's honorary distinction;
- d) Through its resolutions, the Council approves the budget and the final accounts of the Association submitted by the Presidium pursuant to the provisions of Paragraph 14.2 of these Statutes. The budget of the Association comprises also the action plan objectives of the Association for the respective calendar year.
- e) Also based on its own stimulus, approves draft amendment of Statutes provided that the amendment concerns Article 1.5 of these Statutes, whereas in case of deciding on approval of the amendment of the Statutes related to Article 1.5, the Council is entitled to ask the individual members, collective members and honorary members of the Association to submit a statement; this statement, however, is not binding for the Council;
- f) Through its resolutions, the Council may carry out the following
1. To adopt the Session Order applicable for the Council, pursuant to the provision of Paragraph 9.12. of these Statutes;
  2. Based on proposal from the Executive Director, to approve more detailed regulations on awarding of the prize the Association and Association's honorary distinctions pursuant to the provisions of Paragraph 9.8 Item c) Clause 6. of these Statutes;
- g) It acknowledges the following
1. Report of the Association's Financial Manager for the respective calendar year, pursuant to the provision of Paragraph 14.4. of these Statutes;
  2. Report from the chairmen of the Association's Working Committees for the respective calendar year, pursuant to the provision of Paragraph 11.6., Item b) of these Statutes;
  3. Report from the Chairperson of the Association's Auditing Committee for the respective calendar year, pursuant to the provision of Paragraph 13.9., Item a) of these Statutes;
- h) It elects and revokes members of the Presidium, pursuant to the respective provisions of these Statutes.

- 9.9 It is the duty of the Council including each of its members to
- a) Act in accordance with the generally binding regulations and Association by-laws when performing their duties and executing their powers;
  - b) Cooperate with the Auditing Committee pursuant to the provision of Paragraph 13.8., Item b) of these Statutes;
  - c) In case of making a mistake, the Council shall act in accordance with an appeal pursuant to the provisions of Paragraph 13.8., Item d) of these Statutes.
- 9.10 The Council shall be convened and chaired by the President of the Association, or another member of the Council delegated by the President, unless it is the first session of the Council held after the expiration of the Council's office term, which is to be opened on the first session day of the respective Congress, and chaired until the election of the Association's President, by a person as per the provision of Paragraph 8.7., first sentence of these Statutes. Convening of the Council shall be announced to the Council members and Association members by the Executive Director.
- 9.11 A session of the Council shall be attended by all Council members, and by the Executive Director. If necessary, the Council may invite to its session also other persons, especially one or more chairmen of the Working Committees, or a Chairman of the Auditing Committee.
- 9.12 Any member of the Council attending a session of the Council shall have the right to vote at the Council's session. The Council constitutes a quorum in case it is attended at least by one half ( $\frac{1}{2}$ ) of all Council members. Unless otherwise stipulated in these Statutes, the Council's voting shall be public. During voting, each member of the Council shall have one (1) ballot; in case of equal number of votes the Association President shall have the casting vote. Unless otherwise stipulated in these Statutes, the Council passes its motions, adopts resolutions, and/or decisions through a simple majority of the present Council members. The election of Association President and by-election of Association President pursuant to the provision of Paragraph 10.3., Item a) and Item d) of these Statutes, shall be carried out through secret ballot of the Council members, and the elected nominee will be the one, who received in such election, or by-election the largest number of ballots. Should the number of ballots be equal, the election shall be repeated until one of the nominees reaches majority of ballots. When electing the Presidium members pursuant to the provisions of 10.2 Item b) of these Statutes, the voting takes place on the candidates takes place simultaneously, and a candidate list is prepared consisting of all submitted candidates for members. Council members may only vote for any such number of candidates that corresponds to the number of candidates that is to be elected as Presidium members. Nominees receiving the largest number of ballots shall become Presidium members. Should the number of ballots be equal, the election shall be repeated until one of the nominees reaches majority of ballots. Presidium member pursuant to the provisions of 10.2 Item b) of these Statutes, who received the largest number of ballots in the election pursuant to the previous sentence simultaneously becomes the Vice President of the Association for the period of one calendar year. After one year of tenure as Vice President of the Association, based on rotation principle the Vice President shall be replaced in their position by a member of Presidium pursuant to the provisions of 10.2 Item b) of these Statutes, who received the second largest number of ballots, and after another calendar year, this person shall be replaced by the third elected member of Presidium. The decision on revoking pursuant to the provisions of Paragraph **Chyba! Nenašiel sa žiaden zdroj odkazov.** Item h) of these Statutes and the decision on expulsion pursuant to the provisions of Paragraph **Chyba! Nenašiel sa žiaden zdroj odkazov.** Item c) Clause 3. of these Statutes shall be adopted by the Council

by a secret voting by reaching at least two-thirds (2/3) majority of all Council members. Council members may take part and cast their votes at Council sessions also via conference telephone call, video conference or using similar means of technology and in such case they shall be regarded as present at the Council session, while any such form of their presence and voting must be recorded in the minutes from the Council session. The detailed procedure of the Council sessions, or voting during the Council session can be stipulated by the Council in the Council's Session Order.

- 9.13 Provided due to the ceased membership of the Association's President or Vice President in the Presidium pursuant to provision of Paragraph 10.5., Item a), Clauses 2. or Paragraph 10.5., Item b) of these Statutes the session of the Council cannot be convened pursuant to Paragraph 9.10 of these Statutes, the Council with the agenda of electing the above shall be called and chaired, by the Executive Director until the election of the Association President. The Council session as per the previous sentence shall be called by the Executive Director at the latest within fifteen (15) calendar days following the date, when the latter of the cessations referred to in the first sentence was consummated. Otherwise, the Council shall be called for the last day of such term. The provisions of these Statutes that govern the Council shall apply reasonably to the Council as per this paragraph.
- 9.14 In extraordinary cases, the Council may pass its motions, adopt resolutions, and/or decisions also outside the Council session, provided such motion, resolution, and/or decision is supported by all members of the Council and more than one half of all Council members votes for passing of the motion, resolution and/or decision unless otherwise stipulated in these Statutes. For the purposes defined in this Paragraph, the passing of motions and adoption of resolutions and/or decisions and the related voting procedures can be carried out mainly via e-mail, fax, telefax, or other means of technology after being confirmed via telephone. The provisions of Paragraph 9.12. of these Statutes for passing motions and adoption of resolution or decisions as per the previous sentence, shall be applied reasonably.

## **Article 10**

### **Presidium**

- 10.1 Presidium is the supreme executive and management body of the Association between the sessions of the Congress and the Council. The Presidium consists of the maximum of five (5) members, who are either elected, or appointed pursuant to these Statutes for the office term of the Council or by-elected pursuant to these Statutes for the remaining period of the above term. The details on the standing and activities of the Presidium including the details on the Presidium sessions and voting shall be governed by the Presidium Statutes.
- 10.2 Following are the members of Presidium
- a) President of the Association;
  - b) Three members elected pursuant to the provisions of Paragraph 9.12 of these Statutes, out of whom one is simultaneously the Vice President of the Association, in compliance with the rotation principle pursuant to the provisions of Paragraph 9.12 of these Statutes
  - c) Past President of the Association.

10.3 Membership in the Presidium arises [JMI] in the following cases:

- a) Through election of the Association President and members of Presidium at the first Council session pursuant to the provision of Paragraphs 9.10 and 9.12 of these Statutes;
  - b) Immediately in case of the hitherto Association President, whose membership in the Presidium ceases pursuant to the provisions of Paragraph 10.5., Item a), Clause 1 of these Statutes at the moment of election of a new Association President, unless the hitherto president was re-elected as Association President
  - c) Immediately in case of the hitherto Past President of the Association, whose membership in the Presidium ceases pursuant to the provisions of Paragraph 10.5., Item a), Clause 1 of these Statutes at the moment pursuant to the provisions of Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** above provided that the hitherto President was re-elected as Association President
  - d) By-election of the Association president and members of presidium from among the Council member at the Council session, provided that the respective Presidium member's membership had ceased pursuant to the provisions of Paragraph 10.5 Item a) Clause 2. or Paragraph 10.5 Item b) of these Statutes
- 10.4 The right to elect a member of the Presidium pursuant to the provisions of Paragraph 10.2., Items a), and b) of these Statutes, shall vest with the members of the Council that are present at the respective session of the Council, and they can elect from among nominees that are Council members, and who had been nominated as such by any member of the Council at latest prior to such elections were held. The provisions as per the sentence above shall be applied reasonably in by-elections pursuant to the provisions of Paragraph 10.3 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes. To revoke a member of the Presidium as per the first sentence above, the provision in the first sentence shall be applied reasonably.
- 10.5 Membership in the Presidium ceases in the following cases:
- a) Through cessation of Council membership
    - 1. Pursuant to the provisions of Paragraph 9.7 Item a) Clause 1., 2. or 3. of these Statutes; provisions of Paragraph 17.1 third sentence of these Statutes shall not be affected by the provisions of this Clause;
    - 2. Pursuant to the provisions of Paragraph 9.7 Item b) to d) of these Statutes;
    - 3. Pursuant to the provisions of Paragraph 9.7 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes;
  - b) On the date of revoking a Presidium member pursuant to the provisions of Paragraph 10.4. of these Statutes.
- 10.6 Presidium
- a) Submits to the Council for negotiation and subsequent submitting to the Congress the draft version of the following:

1. New Statutes or proposed change of Statues should these be a point of the next Congress session agenda, unless this is a proposed change of Statutes that is to be decided by the Presidium pursuant to the provisions of Paragraph 10.6 Item d) Clause 12. of these Statutes;
  2. Congress session program that the Presidium passed in compliance with the procedure pursuant to the provisions of Paragraph 8.3 of these Statutes;
  3. Congress session program and/or Congress election order should the course of Congress session and/or voting during Congress session required a more detailed modification;
  4. Objectives of the Association's activities for the period of the following three (3) calendar years that may consist of motions by the respective individual Association members pursuant to the provisions of Paragraph 4.4 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes, collective members of the Association pursuant to the provisions of Paragraph 5.5 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes and/or honorary member of the Association pursuant to the provisions of Paragraph 6.4 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes;
  5. To appoint a trustee pursuant to the provisions of Paragraph 17.1 of these Statutes
  6. Dissolution of the Association and the related arrangements of assets pursuant to the provisions of Paragraph 17.1 of these Statutes;
- b) In relation to the Congress, it delegates a person pursuant to the provisions of Paragraph 8.3 of these Statutes, should the Executive Director be unable to execute their rights as laid down in this provision;
- c)
1. Takes decision on establishing, scope of action and dissolution of professional bodies or subjects pursuant to the provisions of Paragraph 2.3 of these Statutes;
  2. Takes decision on execution of the respective Association's rights in the subjects pursuant to the provisions of Paragraph 2.3 of these Statutes;
  3. Takes decision on establishing or dissolution of Working Committees pursuant to the provisions of Paragraph 11.1 Item b) to c) of these Statutes;
  4. Takes decision on establishing or dissolution of a single or several Study Groups pursuant to the provisions of Paragraph 11.2 of these Statutes;
  5. Takes decision on initiating or terminating of employment of the Executive Director and/or another employee of the Association;
  6. Takes decision on disposal of the Association's assets;
  7. Takes decision on matters related to the Association that are not in the scope of action of any other Association body;
  8. Appoints or revokes the Chairpersons and/or Deputy Chairs of Working Committees;

9. Passes and approves the Working Committee Orders;
  10. Takes decision on submitting the budget of the Association and final accounts of the Association for the Council's approval pursuant to the provisions of Paragraph 14.2 of these Statutes, while the budget of the Association comprises the plan of Association's activities for the calendar year;
  11. Approves the rules of financial management of the Association pursuant to the provisions of Paragraph 14.3 of these Statutes;
  12. Approves draft changes to Statutes, if related to Article 1.4 of these Statutes, also based on its own motion;
- d) May adopt Presidium Session Order pursuant to the provisions of Paragraph 10.16 of these Statutes;
  - e) Supervises and coordinates with its instructions the fulfilment of the Association program by the respective Working Committees;
  - f) May delegate the execution of its authorities to the Executive Director, Financial Manager of the Association and Coordinator of Working Committees;
  - g) Acknowledges the following:
    1. Report by the Financial Manager of the Association pursuant to the provisions of Paragraph 14.4 of these Statutes;
    2. Reports by the Chairpersons of the Working Committees of the Association for the respective calendar year pursuant to the provisions of Paragraph 11.6 Item **Chyba! Nenašiel sa žiaden zdroj odkazov.** of these Statutes;
    3. Report of the Auditing Committee Chairperson for the respective calendar year pursuant to the provisions of Paragraph 13.9 Item a) of these Statutes;
  - h) May delegate authority to represent the Association in international bodies
- 10.7 President of the Association represents the Association externally and during the period between individual sessions of the Congress also internally within the Association. President of the Association
- a) Convenes and chairs a session of the Council, or a session of the Presidium pursuant to these Statutes;
  - b) May authorise any Council member to call and chair a session of the Council pursuant to these Statutes, or he/she may authorise a member of the Presidium to call and chair a session of the Presidium pursuant to these Statutes;
  - c) Submits to the Council for acknowledgement the Council Activity Report for the respective calendar year, and to the Congress the Association Activity Report for the respective term period;
  - d) Pursuant to the provisions of Paragraph 15.1. of these Statutes, the Association President acts on behalf of the Association;



- e) Following a completion of the Congress session where the attendants approved the Statutes, or amendment of Statutes, the Association President signs these and arranges their execution in full wording;
- f) In accordance with the generally binding regulations the Association President takes care of notification and other similar obligations with respect to the respective authorities.

10.8 Vice President of the Association

- a) Acts as the deputy to the Association President in the scope of responsibilities and powers of the Association President as per these Statutes, or as the Presidium instructs him or her,
  - 1. If the Association President cannot perform these powers and responsibilities due to objective reasons; or
  - 2. If the Association President instructed the Association Vice President with these specific powers or responsibilities;
- b) Pursuant to the provisions of Paragraph 15.1 of these Statutes the Vice President acts on behalf of the Association.

10.9 Past President of the Association ensures the continuity between the Council office terms.

10.10 Advisory bodies to the Presidium:

- a) Coordinator of the Working Committees and
- b) Financial Manager of the Association

10.11 The Working Committees' Coordinator coordinates the execution of the Presidium's responsibilities with respect to the Working Committees, predominantly in the spheres of technical rules for gas, membership of the Association in other organisations and associations, legislation, championing of Association's interests and gas advocacy. Provided the Presidium, in accordance with the provision of Paragraph 10.6., Item g) of these Statutes transfers its powers upon the Working Committees Coordinator, the respective legal actions of the Working Committees Coordinator shall be deemed to be the legal actions of the Presidium.

10.12 Financial Manager of the Association elaborates the concept of Association's economic management pursuant to the provisions of Article 14 of these Statutes. Financial Manager of the Association

- c) Submits the following:
  - 1. Budget of the Association and final accounts of the Association pursuant to the provisions of Paragraph 14.2 of these Statutes to the Presidium for Approval;
  - 2. The principles of Association's Financial Management pursuant to the provisions of Paragraph 14.3 of these Statutes to the Presidium for Approval;
- d) Submits to the Presidium, Council and Congress for acknowledgement the report as per the provisions of Paragraph 14.4. of these Statutes.

- 10.13 Presidium, including each of its members is obliged to carry out the following:
- a) In carrying out its responsibilities and powers the Presidium shall act in accordance with the generally binding regulations and Association by-laws;
  - b) The Presidium shall assist the Auditing Committee pursuant to the provisions of Paragraph 13.8., Item b) of these Statutes;
  - c) In case of its misconduct, the Presidium shall act in accordance with a call as per the Paragraph 13.8., Item d) of these Statutes;
- 10.14 If necessary, the Presidium shall be called by the Association President, or a member of the Presidium authorised by the latter. Convention of the Presidium shall be announced to the Presidium members by the Executive Director.
- 10.15 The session of the Presidium shall be attended by all Presidium members and by the Executive Director. If necessary, the Presidium may invite to its session also other persons, especially one or more chairmen of Working Committees, or an Auditing Committee Chairman.
- 10.16 Any member of the Presidium attending a session of the Presidium shall have a right to vote at the Presidium's session. The Presidium constitutes a quorum in case it is attended at least by one half ( $\frac{1}{2}$ ) of all Presidium members. The Presidium's voting shall be public. During voting each member of the Presidium shall have one ballot. Unless otherwise stipulated in these Statutes, the Presidium passes its motions, adopts resolutions, and/or decisions through a simple majority of the present Presidium members, whereas in case of an equal number of votes the Association President shall have a casting vote. Presidium members may attend the sessions and vote during the sessions by way of a conference call, videoconference or similar means of technology and shall be deemed as present at the Presidium session, whereas any such form of participation and voting shall be mentioned in the minutes from the Presidium session.
- 10.17 On an extraordinary occasion, the Presidium may adopt resolution, pass motions and/or decision of the Presidium outside the presidium session provided that all Presidium members agree with such procedure and a simple majority of all presidium members votes in favour of the motion, resolution and/or decision, unless stipulated otherwise in these Statutes. For the purposes of this paragraph, motions, resolutions and/or decision may be adopted and voting may take place primarily by means of e-mail, fax, telefax or other means of technology after their telephonic validations. The provision of Paragraph 10.16 of these Statutes for adoption of resolutions and passing of motions or as laid down on this section shall be applied reasonably.

## **Article 11**

### **Working Committees**

- 11.1 The following bodies are the Association's Working Committees, which serve to fulfil the Action Plan of the Association
- a) Legislation and legal committee;
  - b) Gas Chain Working Committees;
  - c) Interdisciplinary Programme Committees.

Pursuant to the provisions of Items b) through c) above, Working Committees shall be established by the Presidium, so that to make sure that the activities of such committees, along with the fulfilment of Association's agenda, match the structure of the respective IGU Committees, as well as the structure of other international organisations' committees, where the Association is a member.

- 11.2 The Working Committee shall be headed by the Working Committee Chairman. The Chairman, or Vice-Chairman of the Working Committee are nominated and revoked by the Presidium. In accordance with the Association's action plan, the Working Committee Chairman may file a motion to the Council through Presidium suggesting establishing or dissolving of one or several Study Groups of the Working Committee. Chairmen, or Vice-Chairmen of the Working Committee represent the Association in the respective IGU Committees, and in international organisation, of which the Association is a member.
- 11.3 Any individual member of the Association, or any physical person who is either a contracted employee or similar partner of the Association can be a member of the respective Working Committee, provided they carry out the respective professional activities, or in other adequate way express their pro-active interest in activities in the respective Working Committee. Membership in the Working Committee shall be recorded by the Chairman of the respective Working Committee, and based on his/her notification also the Executive Director.
- 11.4 A member of the Working Committee actively participates in the fulfilment of the respective part of the Association's action plan. Cessation of active involvement of a member of the respective Working Committee following the completion of its agenda as laid down in the previous sentence results in cessation of membership of any such member in the Working Committee.
- 11.5 Working Committees are controlled and coordinated by the Presidium. The implementation of activities of Working Committees can be specified in greater detail by the Presidium in terms of the subject and/or in terms of procedures in the Working Committees' Order.
- 11.6 Chairmen of the Working Committees
  - a) Shall submit to the Presidium a draft of the respective part of the Association's action plan for the Council's office term, dealing with the Working Committees activities;
  - b) Shall submit to the Presidium and the Council for acknowledgement (for the respective calendar year), and Congress (for the respective office term) the report on Association activities;
  - c) Shall participate in the respective Congress session, and in case the Council or the Presidium invites to its session the Chairman of the respective Working Committee, such chairman shall participate also in the respective session of the Council or Presidium.
- 11.7 It is a duty of Working Committees, including any of the Working Committee members to
  - a) Act in accordance with generally binding regulations and Association's by-laws when carrying out the respective competencies and powers;
  - b) Cooperate with the Auditing Committee pursuant to the provision of Paragraph 13.8., Item b) of these Statutes;

- c) In case of its own misconduct, it shall act in accordance with a call pursuant to the provision of Paragraph 13.8., Item d) of these Statutes.

## **Article 12**

### **Executive Director**

- 12.1 The Executive Director is the Association's body that provides to other Association's bodies and Association members organisational, technical, economic and administrative environment, needed to ensure the effective performance of the Association's objectives and activities.
- 12.2 Based on the Council's resolution the Executive Director may represent the Association in IGU, and in international organisations, where the Association is a member.
- 12.3 Executive Director
  - a) Shall secure provision of administrative and professional activities of the Association in accordance with Association's agenda and its financial management regulations;
  - b) Notifies the Presidium without any undue delay and forwards the following:
    - 1. Proposals concerning Association's activities received from Association members
    - 2. Received motions and requests pursuant to the provisions of Paragraph 8.10 Item d), e) and/or f) of these Statutes;
  - c) Notifies the Council without any undue delay and forwards the following
    - 1. Received motions of the Association's regular members for warding of honorary membership in the Association;
    - 2. Received requests pursuant to the provisions of Paragraph 4.2 and/or 5.2 of these Statutes;
    - 3. Notification of the Association's collective member pursuant to the provisions of Paragraph 8.1 of these Statutes;
    - 4. Delivered proposals of candidates for the Council members pursuant to the provisions of Paragraph 9.5 Item a), b) and/or c) of these Statutes;
    - 5. Delivered proposals for the member of the Auditing Committee pursuant to the provisions of Paragraph 13.5 Item a) and/or b) of these Statutes;
  - d) Shall notify the respective Association's bodies without any undue delay
    - 1. And thus forward applications and remarks of Association members to the Association bodies' sessions;
    - 2. Of ceased membership of Association members in the Association, and/or ceased membership of Association body members in such bodies as per these Statutes;

- e) Within a reasonable term notify pursuant to these Statutes the dates, places, agenda and content of Association bodies' sessions, and of other events organised by the Association and important circumstances related to the Association;
  - f) In accordance with generally binding regulations maintain registration database and perform archiving of the following
    - 1. Data on the Association members and Association bodies' members;
    - 2. Membership fees paid for individual membership in the Association and for collective membership in the Association;
    - 3. Agreements made pursuant to the Paragraph 5.3. of these Statutes;
    - 4. Association agendas and agenda of the Association bodies' sessions;
    - 5. Minutes, records and documents pursuant to the provisions of Paragraph 8.9. of these Statutes, whereas such minutes and records can be promulgated only subject to the provisions of Paragraph 8.9. of these Statutes;
    - 6. Minutes and materials from sessions of other Association bodies than is the Congress;
    - 7. Documents and materials related to the findings and results of business trips;
    - 8. Documents and materials that had been published at specialised events organised by the Association or jointly with the Association;
  - g) He/she shall maintain a list of Registered members, pursuant to the provisions of Paragraph 8.4. of these Statutes, and he/she shall open and chair the session of the Congress as per the provision of Paragraph 8.7. of these Statutes, unless these Statutes stipulate otherwise;
  - h) He/she shall convene the session of the Congress pursuant to the provision of Paragraph 8.11. of these Statutes;
  - i) He/she shall call and chair the sessions of the Council pursuant to the provision of Paragraph 9.13. of these Statutes.
- 12.4 The Executive Director shall participate in the sessions of the Congress, Council, Presidium and Auditing Committee.
- 12.5 The presidium is obliged to provide reasonable technical, economic and personnel conditions for the performance of Executive Director's duties and powers. For the purpose as per the previous sentence, Secretariat shall be established, which shall be managed by the Executive Director. The Executive Director is an employee of the Association. The Association may interfere with employment contractual and/or business and legal relations in order to meet the needs of the Secretariat. The matters of concluding or termination of a contract with the Executive Director, and/or concluding and/or termination of an employment contract and/or business and legal relations as per the previous sentence shall be decided by the Presidium.
- 12.6 Its is a duty of the Executive Director and other employees of the Association to

- a) Carry out their responsibilities and powers they shall follow generally binding regulations and internal by-laws of the Association;
- b) Cooperate with the Auditing Committee as per the provision of Paragraph 13.8., Item b) of these Statutes;
- c) In case of making a mistake, to act in accordance with an appeal pursuant to the provision of Paragraph 13.8., Item d) of these Statutes.

### **Article 13** **Auditing Committee**

13.1 The Auditing Committee is the Association's controlling body. The Auditing Committee has maximum up to five (5) members that are nominated or elected in accordance with these Statutes for the period of Council's office term, or co-opted pursuant to these Statutes for the remaining part of the above period, unless these Statutes stipulate otherwise. At the first session of the Auditing Committee after office term of the previous Auditing Committee ended, the members of the new Auditing Committee shall elect the Chairman of the Auditing Committee from amongst themselves.

13.2 A member of the Council can be only an irreproachable natural person, who is not a member of the Council or Presidium, a member of the Presidium advisory bodies, Executive Director, nor a Chairman of a Working Committee, and who is, at the same time

- a) An individual member of the Association; or
- b) Who is, as at the first day of the Congress session, a contracted employee or in any similar relation to the collective member of the Association that had nominated this person as a member of the Auditing Committee pursuant to the provisions of Paragraph 13.4., Items a) through c) of these Statutes, or that had nominated this person as a member of the Auditing Committee based on election results pursuant to the provisions of Paragraph 13.5., Item b) of these Statutes.

An irreproachable person as laid down in the previous sentence is a person who had not been lawfully and effectively convicted for any intentionally conducted criminal offence.

13.3 Membership in the Auditing Committee commences as follows

- a) Through nomination at the session of the Congress pursuant to the Paragraph 13.4. of these Statutes;
- b) Through nomination at the session of the Congress based on the results of elections pursuant to the Paragraph 13.5., Items a) of these Statutes;
- c) Through elections at the session of the Congress pursuant to the Paragraph 13.5., Item b) of these Statutes;
- d) Through co-opting at the session of the Council pursuant to the Paragraph 13.6. of these Statutes.

13.4 Registered members have the right to following nominations during the Congress session

- a) Registered member has the right to nominate one (1) member of the Auditing Committee, if this registered member is a collective member of the Association, active

predominantly in gas industry and the sum of this member's paid collective membership fees in the Association for the period of three (3) previous calendar years, including the calendar year when the Congress session is held represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time;

- b) Registered member has the right to nominate one (1) member of the Auditing Committee, if this registered member is a collective member of the Association, active predominantly in oil industry and the sum of this member's paid collective membership fees in the Association for the period of three (3) previous calendar years, including the calendar year when the Congress session is held represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time;
- c) Registered member has the right to nominate one (1) member of the Auditing Committee, if this registered member is a collective member of the Association, but it is not a Registered member pursuant to the Items a) and b) above, and the sum of this member's paid collective membership fees in the Association for the period of three (3) previous calendar years, including the calendar year when the Congress session is held represents the largest portion of all such membership fees of all such Paying collective members of the Association for the same period of time; whereas in terms of the size of the respective shares, the shares of Registered members pursuant to the Items a) and b) above are not taken into account;

A Registered member pursuant to the provisions of Item a) to c) above may transfer its right as per this Paragraph to another Registered member, which is a Paying collective member of the Association.

13.5 Registered members have the following voting rights at the Congress sessions

- a) The right to elect one (1) Paying collective member of the Association with the right to nominate one (1) member of the Auditing Committee at the Congress session shall vest with any such Registered members that are Paying collective members of the Association and that simultaneously are not collective members of the Association pursuant to the provision of Paragraph 13.4., Items a) to c) of these Statutes; they can select from the candidates, that are such Registered members of the Association, and provided the latter had announced their candidacy through the Executive Director to the Council at least fifteen (15) calendar days prior to the first day of the Congress session;
- b) The right to elect one (1) member of the Auditing Committee shall vest with any such Registered members who are individual members of the Association; they can select from the candidates, that had been nominated in writing by the Executive Director to the Council pursuant to the provisions of Paragraph 4.4., Item g) in these Statutes at least fifteen (15) calendar days prior to the first day of the Congress session.

The respective Paying collective member of the Association may, pursuant to provisions of Item a) above, transfer their right as per such provisions to another Registered member, which is a Paying collective member of the Association. In case if Registered members, pursuant to the provisions of Item a) above, do not elect the respective Paying collective member of the Association pursuant to the provisions of Item a) above, and/or the Registered members pursuant to the provision in the Item b) above fail to elect the respective member of the Auditing Committee pursuant to the provision in the Item b) above, the positions of the respective Auditing Committee members remain unoccupied

until the end of the respective Association's office term. In case of equal number of votes in the elections pursuant to this Paragraph, the determining factor is the duration of Association membership of the respective Association member.

13.6 In case of termination of an Auditing Committee membership of an Auditing Committee member pursuant to the Paragraph 13.7., Items b) through d) of these Statutes, the Auditing Committee shall co-opt a new member of the Auditing Committee for the remaining part of the said person's office term,

- a) And it will do so either based on the nomination raised by a collective member of the Association that had nominated such recent Auditing Committee member; or
- b) Who, based on the results of the respective elections in which the said recent Auditing Committee member was elected, ranked second, right after the said resigning Auditing Committee member.

13.7 Membership in the Auditing Committee ceases to exist

- a) For all members of the Auditing Committee
  - 1. Simultaneously with the expiration of the Auditing Committee's office term, at the moment of notification pursuant to the Paragraph 8.7. of these Statutes. in case of a Congress session called as per the provisions of Paragraph 8.3., first sentence of these Statutes;
  - 2. Simultaneously with the expiration of the Auditing Committee's office term, at the moment of notification pursuant to the Paragraph 8.7. of these Statutes in case of a Congress session called as per the provisions of Paragraph 8.10., Items b) or c) of these Statutes;
  - 3. Through dissolution of the Association as per the provisions of Paragraph 17.1. of these Statutes;
- b) For a member of the Auditing Committee
  - 1. Through the delivery of a written notice from an Auditing Committee member to the Executive Director on the termination of such member's membership in the Auditing Committee;
  - 2. By death of the Auditing Committee member;
- c) For an Auditing Committee member that had been elected as a member of the Auditing Committee by individual members of the Association pursuant to the provisions of Paragraph 13.5., Item b) of these Statutes, or who had been co-opted by the Auditing Committee pursuant to the provisions of Paragraph 13.6., Item b) of these Statutes,
  - 1. On the date when the concerned person lost his/her capacity to be a member of the Auditing Committee pursuant to the provisions of Paragraph 13.2., Item a) of these Statutes in any other way than pursuant to the provisions of Item b), Clause 2. above;
  - 2. On the date when the Congress decided to expel such member of the Auditing Committee pursuant to the Paragraph 8.2., Item d), Clause 3 of these Statutes;



- d) for an Auditing Committee member that had been nominated as a member of the Auditing Committee by a collective member of the Association pursuant to the provisions of Paragraph 13.4., Items a) through c) of these Statutes, or pursuant to the provision of Paragraph 13.5., Item a) of these Statutes, or which had been co-opted by the Auditing Committee pursuant to the provisions of Paragraph 13.6., Item a) of these Statutes,
  - 1. On the date of delivery of a written dismissal notice addressed to such Auditing Committee member by the aforementioned member of the Association to the Executive Director;
  - 2. On the date of cessation of a collective membership of such member of the Association pursuant to the provision of Paragraph 5.4. of these Statutes.

### 13.8 Auditing Committee

- a) Shall monitor the compliance with the following:
  - 1. Generally binding regulations pertinent to the Association;
  - 2. These Statutes;
  - 3. Congress resolutions and/or decisions;
  - 4. Council resolutions and/or decisions;
  - 5. Presidium resolutions, decisions, and/or instructions;
  - 6. Auditing Committee resolutions, decisions, and/or calls;
  - 7. Association bodies' Session Orders and/or Election Orders, provided they had been adopted;
  - 8. Association's financial management rules pursuant to the provision of Paragraph 14.3 of these Statutes;
  - 9. Other Association's internal by-laws
- b) The Auditing Committee may request from the Association's bodies, from members of Association's bodies, and/or from members of the Association cooperation mainly in terms of rendering information, documents and explanations concerning the compliance with regulations as per the provisions in Item a) above;
- c) The Auditing Committee shall notify the Council of any breach of regulations pursuant to the provision in the Item a), Clauses 1. through 9. above, in case it detects any such breaches based on its auditing activities;
- d) In case the Auditing Committee based on its auditing activities reveals breaches of regulations (pursuant to the provision in the Item a), Clauses 1. through 9.) it shall demand that the Association's bodies, members of Association's bodies, and/or members of the Association to remedy such cases;
- e) The Auditing Committee shall submit a statement on the breach of the Statutes

1. To the Congress, particularly to Council member elected pursuant to the provision of Paragraph 9.5., Item b) of these Statutes, appointed pursuant to the provision of Paragraph 9.3., Item d) of these Statutes, or co-opted pursuant to the provisions of Paragraph 9.6., Item b) of these Statutes;
  2. To the Congress, particularly to the members of the Auditing Committee elected pursuant to the provision of Paragraph 13.5., Item b) of these Statutes, or co-opted pursuant to the provision of Paragraph 13.6., Item b) of these Statutes;
  3. To the Council, particularly to the regular Association members.
- f) The Auditing Committee shall be entitled to ask the Presidium to call the Congress pursuant to the provision of Paragraph 8.10., Item f) of these Statutes.

13.9 The Chairman of the Auditing Committee

- a) Shall submit the Report on the Auditing Committee Activity to the Presidium and the Council for acknowledgement, for the respective calendar year, and to the Congress for the respective office term;
- b) Shall take part in the session of the Congress, and if he or she is invited by the Council or the Presidium to their respective sessions, they shall also take part in the respective sessions of the Council or Presidium.

13.10 Each member of the Auditing Committee shall do the following

- a) In carrying out its responsibilities and powers, it shall act in accordance with the generally binding regulations and Association's by-laws;
- b) Provide assistance to the Auditing Committee as per the provision of Paragraph 13.8., Item b) of these Statutes;
- c) In case of a misconduct on its side, act in accordance with an appeal pursuant to the provision of Paragraph 13.8., Item d) of these Statutes.

13.11 The Auditing Committee shall be convened and chaired as considered necessary, however at least once in a calendar year by the Chairman of the Auditing Committee, unless the called session is the first session of the Auditing Committee after the expiration of the office term of the Auditing Committee, which shall be opened without any undue delay after the conclusion of the Council session in accordance with the provisions of Paragraph 9.10 of these Statutes, and in case the respective office term of the of the Auditing Committee has not expired, without any undue delay after the conclusion of the Congress session, and until election of the Auditing Committee Chairman and shall be chaired by a person pursuant to the Provision of Paragraph 8.7., the first sentence of these Statutes. Calling the Auditing Committee session shall be announced to Auditing Committee members and Association members by the Executive Director.

13.12 The session of the Auditing committee shall be attended by all Auditing Committee members and by the Executive Director. If necessary, particularly for the purposes pursuant to the provisions of Paragraph 13.8., Item b) of these Statutes, the Auditing Committee may also invite other persons to the Auditing Committee session.

13.13 Any member of the Auditing Committee present at its session shall have the right to vote at this session of the Auditing Committee. The Auditing Committee constitutes a quorum if as at the date when the Auditing Committee session is held, at least on half (½) of all Auditing

Committee members are present. Unless otherwise stipulated in these Statutes, the voting at the Auditing Committee session shall be public. During voting at the session of the Auditing Committee, each Auditing Committee member shall have a single ballot. Unless otherwise stipulated in these Statutes, the Auditing Committee shall adopt resolutions, statements, and/or calls with absolute majority of ballots of Auditing Committee members attending the session of the Auditing Committee. The Auditing Committee may regulate the details of the course of voting during the session of the Auditing Committee in the Auditing Committee Session Order.

- 13.14 In exceptional cases the Auditing Committee may adopt resolutions, statements, and/or calls also outside the Auditing Committee session, provided the resolutions, statements, and/or calls have been agreed by all members of the Auditing Committee. The provisions of Paragraph 13.13. of these Statutes shall apply reasonably to the adoption of resolutions, statements, and/or calls as per the previous sentence.

#### **JOINT, TEMPORARY AND CONCLUDING PROVISIONS**

##### **Article 14**

##### **Financial Management of the Association**

- 14.1 The purpose of the financial management of the Association is the generation of income, which is necessary to fulfil Association's program and agenda. Financial management of the Association is governed by generally binding regulations, these Statutes, Association's financial management rules as per the provisions of Paragraph 14.3. of these Statutes, and the Auditing Committee instructions pursuant to the provisions of Paragraph 13.8., Item d) of these Statutes. The responsibility for the financial management of the Association shall be shared jointly and severally by all members of the Presidium and the Council.
- 14.2 The Association manages the budget of the Association, which is approved by the Council based on the motion of the Presidium particularly taking into account the Association's activities and objectives pursuant to the provisions of Article 2.1. of these Statutes, and pursuant to the provisions of Paragraph 8.2., Item a), Clause 4. of these Statutes – Desired development of Association's activities and taking into account interests of Association's regular members. The budget income as per the previous sentence primarily consist of the following:
- a) Association's individual members' membership fees pursuant to the provisions of Paragraph 4.5., Item g) of these Statutes;
  - b) Association collective members' membership fees pursuant to the provisions of Paragraph 5.6., Item g) of these Statutes;
  - c) Income from Association's own activities;
  - d) Income of entities designated in the provisions of Paragraph 2.3. of these Statutes;
  - e) Grants and donations from legal entities;
  - f) Gifts and donations form physical and/or legal entities.

The budget income as per the previous sentence comprises a part of Association's assets. After the end of the respective calendar year, based on the motion by the Presidium, the Council approves the final accounts of the Association for the respective period.

- 14.3 The Association's financial management rules applicable to the Association's budget shall be approved by the Presidium, based on the motion by the Association's Financial Manager, particularly taking into account the Association's agenda and objectives pursuant to the provisions of Article 2.1. of these Statutes – Desired development of Association's Statutes and interests of Association's regular members.
- 14.4 The Association's financial manager shall submit the Report for the respective fiscal period to the Congress for acknowledgement; the Report shall contain particularly information on economic performance and financial management of the Association for the previous three (3) calendar years, including the calendar year, in which the Congress session was held.
- 14.5 Without affecting the provisions of Paragraph 17.1. of these Statutes, the Association shall have the right to dispose with any Association property only subject to the previous decision of the Presidium.

#### **Article 15**

##### **Acting on behalf of the Association**

- 15.1 Two member of the Presidium jointly act on behalf of the Association and they may delegate the power to act on behalf of the Association to other entity pursuant to the Statutes of the Presidium and Order of Signatures approved by the Presidium. The powers of other Association bodies as per these Statutes are not affected by the provision as per the previous sentence.

#### **Article 16**

##### **Notifications**

- 16.1 Unless otherwise stipulated in these Statutes, important circumstances pertaining to the Association shall be notified primarily to the Association members by Association bodies through the Executive Director in a demonstrable way, particularly via the Association's web site.

#### **Article 17**

##### **Dissolution of the Association**

- 17.1 The Association ceases to exist through the decision of the Congress, pursuant to the provision of Paragraph 8.2., Item d), Clause 1. of these Statutes on its voluntary dissolution as well as the provision of Paragraph 8.6. of these Statutes, and as laid down in the respective generally binding regulations. In the decision as per the previous sentence the Congress shall specify how the Association's assets will be settled, otherwise the Congress shall, upon Council's motion, appoint an Association's trustee. In accordance with the generally binding regulations, the information on Association's dissolution to the relevant bodies shall be announced by the Association President. Should a trustee be appointed as per the second sentence of this Paragraph, the information as per the previous sentence shall be delivered by the trustee of the Association.

#### **Article 18**

##### **Temporary Provisions**

- 18.1 These Statutes shall be reasonably followed immediately after their approval.

- 18.2 As of the moment of approval of these Statutes, Association's General Secretary to date immediately becomes its Executive Director pursuant to these Statutes.
- 18.3 The Executive Director shall without any undue delay ensure harmonisation of the Association's structure with these Statutes.
- 18.4 Provided that according to the generally binding regulations any respective administrative body notifies the Association (following its receipt of the notification on amendment of these Statutes) of the discrepancy between these Statutes and the generally binding regulations, the respective discrepancy in the Statutes shall be eliminated without any undue delay by the Presidium.

### **Article 19** **Final Provisions**

- 19.1 As of the date when these Statutes take force and effect, the previous Statutes of the Association, approved by 5<sup>th</sup> Association's Congress on December 1, 2006, and acknowledged by the Slovak Ministry of Interior and recorded under the ref. No. VVS/1-2200/90-237-5 on December 21, 2006 shall be cancelled.
- 19.2 These Statutes shall come into force and effect as of the date of their approval by the Congress.
- 19.3 These Statutes were approved by 6<sup>th</sup> Association Congress held on December 3, 2009, and they were acknowledged by the Slovak Ministry of Interior on 29. 01. 2010, and recorded under the ref. No. VVS/1-2200/90-237-6. These Statutes contain changes approved by the 7th Association Congress held on October 5 2012, acknowledged by the Slovak Ministry of Interior on 19. 02. 2013, and recorded under the ref. No. VVS/1-2200/90-237-7 and changes approved by the 8th Association Congress held on October 2 2015.