

ScanBalt MTÜ

STATUTES OF ASSOCIATION

1. GENERAL PROVISIONS

- 1.1 The name of the non-profit organisation is ScanBalt MTÜ (hereinafter referred to as Association).
- 1.2 Association is a private legal person, guided by this Statutes of Association and existing relevant legislation.
- 1.3 Location of the Association is Tartu, Estonia.

2. PURPOSES

- 2.1. The purpose of the association is to act as a non-profit organisation in public and private interests, with the main purpose of bringing together entrepreneurs, universities, hospitals, establishments, organisations and other institutions active in the sphere of healthcare and biotechnology, and develop their common activities, represent them, protect their interests and express their common standpoints in accordance with the values of Association (**Area of Activity of Association**). In order to implement the main purpose, the Association will inter alia:
 - 2.1.1 support and promote the sustainable development processes in economic spheres associated with the Area of Activity of Association in Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Poland, Sweden, northern Germany and northwestern Russia (ScanBalt Region) through development and distribution of knowledge, education, technology transfer, scientific research and innovation;
 - 2.1.2 promote dialogue between healthcare and biosciences and society considering the potential of healthcare-bioscience in promoting economic growth and the dilemmas in society that accompany the promotion of it.
 - 2.1.3 support sustainable development through goals for economic-, social- and environmental policy that are in correspondence with enhanced economic growth;
 - 2.1.4 cooperate with Estonian and international organisations that are active in the Area of Activity of Association;
 - 2.1.5 help their members and their employees in organising staff training and personnel development;
 - 2.1.6 collect and mediate information that concerns the Area of Activity of Association to their members and to the public;
 - 2.1.7 coordinate and execute mutual projects of members in the areas of research development, product development, specific solutions etc.
 - 2.1.8 develop other activities useful or beneficial to members, which are in compliance with the purposes of Association stated within the Statutes of Association.
- 2.2 The Association shall use the profit arising from its activities and any external allotments only for achieving the purposes mentioned in the Statutes and does not allot profit among its members. The Association does not share their assets or profit or provide any material assistance or favours that have any financial value to their founders, members, member of management or control authority, person who has donated to the Association or to the management or control authority of such person nor to the persons associated with the aforementioned persons for the purposes of income tax law.

3. MEMBERSHIP

- 3.1 The Association has at least 2 members.
- 3.2 Any individual and private or public legal person can apply for membership who:
 - 3.2.1 is involved in health and biosciences and is located in ScanBalt Region or private or public legal person who is outside ScanBalt Region;

- 3.2.2 approves the purposes set by the Association and the means of accomplishing these;
 - 3.2.3 wishes to aid the achievement of the purposes of Association;
 - 3.2.4 conforms to the Statutes of Association, recognises and executes it.
- 3.3 The members of the Association divide in status as full member (Full member), institutional member (Institutional member), individual member (Individual member) and associated member (Associated member).
- 3.4 Legal persons who correspond to the following can become Full members of Association:
- 3.4.1 have been accepted as Full member of the Association by decision of the Executive Committee meeting;
 - 3.4.2 follow the Statutes and adhere to the decisions made by the Association General Assembly, Association Executive Committee meeting and Association Chairmanship;
 - 3.4.3 main field of activity is within the Area of Activity of Association and interests coincide with the purposes of the Association;
- 3.5 Legal persons who correspond to the following can become Institutional members of Association:
- 3.5.1 have been accepted as Institutional member of the Association by decision of the Executive Committee meeting;
 - 3.5.2 follow the Statutes and adhere to the decisions made by the Association General Assembly, Association Executive Committee meeting and Association Chairmanship;
 - 3.5.3 main field of activity is within the Area of Activity of Association and interests coincide with the purposes of the Association; and
 - 3.5.4 have agreed in the application of membership of Association to the distinctions of right of vote at the Association General Assembly and order of appointing Executive Committee stated in this Statutes of Association.
- 3.6 Physical persons who correspond to the following can become individual members:
- 3.6.1 have been accepted as Individual member of the Association by decision of the Executive Committee meeting;
 - 3.6.2 follow the Statutes and adhere to the decisions made by the Association General Assembly, Association Executive Committee meeting and Association Chairmanship;
 - 3.6.3 main field of activity is within the Area of Activity of Association and interests coincide with the purposes of the Association;
 - 3.6.4 have agreed in the application of membership of Association to the distinctions of right of vote at the Association General Assembly and order of appointing Executive Committee stated in this Statutes of Association.
- 3.7 Legal persons who correspond to the following can become Associated members of Association:
- 3.7.1 have been accepted as an Associated member of the Association by decision of the Executive Committee meeting;
 - 3.7.2 follow the Statutes and adhere to the decisions made by the Association General Assembly, Association Executive Committee meeting and Association Chairmanship;
 - 3.7.3 main field of activity is within the Area of Activity of Association and interests coincide with the purposes of the Association; and
 - 3.7.4 have agreed in the application of membership of Association to the distinctions of right of vote at the Association General Assembly and order of appointing Executive Committee stated in this Statutes of Association.
- 3.8 Full members have 5 votes at the general meeting and 1 vote in the Executive Committee meeting.

- 3.9 Institutional members have 1 vote at the General Assembly. If an Institutional member has been selected to the Executive Committee meeting in the General Assembly, the Institutional member has 1 vote at the Executive Committee meeting.
- 3.10 Individual members have no right of vote in the General Assembly and Individual member is not represented in the Executive Committee.
- 3.11 Associated member has the same rights as the Institutional member. Associated member may apply for Full member status, if the Executive Committee meeting proposes a corresponding invitation to the Associated member.
- 3.12 Applicants are accepted as Full member, Institutional member, Individual member or Associated member with the decision of Executive Committee meeting on the basis of an application of a competent representative of member candidate.
- 3.13 In case of being accepted as a member, the new member is obligated to pay the membership fee of the present year under the order, within the amount and by deadline set by the General Assembly.

4. RIGHTS AND OBLIGATIONS OF MEMBERS

- 4.1 Members of Association have preassigned rights stipulated by Statutes or laws.
- 4.2 Members of the Association undertake the following:
 - 4.2.1 observe the Statutes and implement the decisions of General Assembly and Chairmanship;
 - 4.2.2 pay the annual membership fee under the order, within the amount and by deadline set by the General Assembly;
 - 4.2.3 withhold from activities that may harm the reputation and assets of Association or its members;
 - 4.2.4 in case of change in data information (name, personal identification or registry code or address) notify the Chairmanship at the first opportunity in order to make the change in the list of members;
 - 4.2.5 in case of unpaid membership fee, pay an interest of 0.1% for every delayed day of the sum unpaid by deadline.
- 4.6. Members of Association have a right to form other bodies besides Chairmanship.

5. TERMINATION AND EXCLUSION OF MEMBERSHIP FROM THE ASSOCIATION

- 5.1 Termination of membership must be done in writing at least six months before the end of the financial year. Termination of Individual membership can be done using any means capable of producing a written record, which will become effective immediately.
- 5.2 In case of breach of obligations of the member, in which the Association or its member suffers substantial damage because of it, the Chairmanship may exclude the member from the Association with its decision. The member shall be informed about the reasoned decision on exclusion in written form immediately.
- 5.3 The Executive Committee can decide to exclude any member of Association with 2/3 majority irrespective of cause out of the list of members of Association.
- 5.4 In case the legal person does not exist anymore, their membership in the Association ends.
- 5.5 Exclusion or resignation does not free a member from the obligation to pay fee for the rest of the financial year and the surplus membership fee will not be refunded.

6. GENERAL ASSEMBLY

- 6.1 The highest body of Association is General Assembly. All members of the Association may participate at the General Assembly. General Assemblies are regular and irregular.
- 6.2 Regular General Assembly will take place once a year six months after the end of financial year at the latest.

- 6.3 If in the interest of the Association it should be necessary, an irregular General Assembly shall be called.
- 6.4 The call for General Assembly has to be announced in writing to all registered members of Association ahead of the meeting. Call for regular meeting of General Assembly must be forwarded at least 4 weeks prior to the meeting, call for irregular meeting at least 7 days prior to the meeting. The call for General Assembly shall indicate the time, place and agenda of General Assembly.
- 6.5 General Assembly has exclusive competence over:
- 6.5.1 changing the Statutes;
 - 6.5.2 decision to terminate the activities of Association;
 - 6.5.3 Size and order of payment of membership fee;
 - 6.5.4 providing guidance for Executive Committee meeting for changing the purpose;
 - 6.5.5 electing and re-electing members for the Executive Committee meeting amongst the Institutional members.
- 6.6 General Assembly may adopt decisions if more than 1/3 of Association members entitled to vote are represented. Unless the Statutes or laws do not stipulate a larger majority of votes, the decision of General Assembly shall be regarded as adopted if more than half of Association members entitled to vote will vote for it at the meeting.
- 6.7 A legal representative or an authorized representative may participate as representative of Association member at the General Assembly.
- 6.8 In the case of questions regarding their own membership and in case of conflict of interest or a reasoned doubt of it, the member must not vote in the matter.
- 6.9 If members represented at the General Assembly will form less than 1/3 of all Full members of Association, the General Assembly will be regarded as lacking quorum and the Chairmanship must call another General Assembly with the same agenda. New General Assembly shall take place on the eighth day at the soonest after the General Assembly that was lacking quorum took place and is competent in adopting decisions if at least two members are represented at the General Assembly.
- 6.10 General Assembly meetings are minuted. The minutes shall be signed by the Chairman and the Rapporteur. The list of members who participated at the General Assembly shall be added to the minutes along with signatures of each one.

7. EXECUTIVE COMMITTEE MEETING

- 7.1 Executive Committee meeting is a body of Association that is responsible for establishing orders of General Assembly of Association within the extent stated in the Statutes.
- 7.2 The primary task of the Executive Committee is to outline the strategies of Association based on the vision and values of Association. The Executive Committee meeting is responsible for the activities of Association and executes supervision over compliance to the Statutes.
- 7.3 All questions delivered to the General Assembly under the Non-Profit Associations Act fall within the exclusive competence of Executive Committee meeting, except for what is given to the exclusive competence of General Assembly. Also, deciding of other questions that are not given to the competence of other bodies of Association by laws or Statutes.
- 7.4 Every Full member has the right to appoint one representative to the Executive Committee, who will be elected as member of Executive Committee meeting at the General Assembly.
- 7.5 In addition to Full members, up to 6 representatives of Institutional members are elected to Executive Committee meeting at the General Assembly.
- 7.6 The Executive Committee can opt to elect with 2/3 majority up to 5 representatives from the members of Association.
- 7.7 Elective representatives mentioned in clauses 7.5 and 7.6 shall be nominated for a term of 3 years and the prolongation of term cannot be decided less than one year before the term planned

has passed. Prolongation of term of elective representatives shall be decided in the Executive Committee meeting under the principle of consensus.

- 7.8 The Executive Committee meeting have a right to adopt and establish the Standing Orders of Executive Committee meeting and Chairmanship, which are compliant with the Statutes and laws.
- 7.9 Each member of Executive Committee meeting has one vote. In case of equal distribution of votes, the vote of the Chairman shall be decisive if it is so stated in the Statutes.

8. CHAIRMANSHIP

- 8.1 Chairmanship is the management body of Association that manages and represents the Association.
- 8.2 At least one member shall belong to the Chairmanship, who shall be elected from the members of Executive Committee meeting by decision of Executive Committee meeting for two years.
- 8.3 If two or more members belong to the Chairmanship of Association, the Executive Committee meeting shall elect the Chairman and 4-6 Vice Chairmen. The mandate and order of election of Chairman and Vice Chairmen will be stipulated by the Standing Orders established by the Executive Committee meeting.
- 8.4 Association can be represented by Chairman along with the General Secretary or General Secretary alone.
- 8.5 Meeting of the Chairmanship has a quorum if more than half of the Chairmanship members are present, whereby each member has one vote. If votes are divided in half, the deciding vote is cast by the Chairman. The Chairmanship may adopt decisions without calling a meeting if all members of Chairmanship vote for it in writing.
- 8.6 In the case of questions regarding their own membership and in case of conflict of interest or a reasoned doubt of it, the member of Chairmanship must not vote in the matter.
- 8.7 The Chairmanship shall appoint a General Secretary of Association, who is responsible for bookkeeping and daily work of Association.
- 8.8 Members of Chairmanship shall not receive any remuneration for the work of members of chairmanship. The Chairman may be remunerated by decision of Executive Committee meeting.
- 8.9 General Assembly may call back the member of Chairmanship at any time irrespective of reason and without notice.
- 8.10 The member of Chairmanship may resign by notifying the Association at least one month ahead. In case of receiving the application for resignation, the Executive Committee meeting shall call back the member of Chairmanship within one month from the time of submission of application. If the Executive Committee meeting does not call back the member of Chairmanship within the set time prescribed in the previous sentence, the member of Chairmanship who submitted the application for resignation will automatically be released from fulfilment of obligations after one month from submission of application.

9. ADVISORY BOARDS AND WORKING GROUPS

- 9.1 Advisory Boards
 - 9.1.1 In order to develop an official opinion of Association in matters that concern or interest the members of Association the Chairmanship may form Advisory Boards.
 - 9.1.2 The prerequisite of forming an Advisory Board is the initiative of Chairmanship or at least three members of the Association.
 - 9.1.3 Unless the Executive Committee meeting makes a different decision, the Chairmanship shall decide on the formation of the specific Advisory Board, its number of members and the order of electing members and chairman of it. Experts outside the Association can be included as members of Advisory Boards.
 - 9.1.4 The Chairmanship can authorize the Advisory Boards to adopt and express opinions in the name of Association.

- 9.1.5 The Advisory Board may adopt decisions if the meeting is attended by more than half of its members. In order to adopt a decision of Advisory Board, a majority vote of members of Advisory Board who participated at the Advisory Board meeting is required. In case of equal distribution of votes, the Chairman of the Advisory Board or in the absence of Chairman the Vice Chairman shall have the casting vote.
 - 9.1.6 The Chairmanship shall appoint the Chairman of the Advisory Board. The working period of Advisory Board will end at the same time as the working period of Chairmanship unless the General Assembly does not decide otherwise. The new Chairmanship shall decide on the ending or continuation of the Advisory Board once the working period is about to end.
- 9.2 Working Groups
- 9.2.1 The Chairmanship may decide to form Working Groups for carrying out specific tasks, projects and events.
 - 9.2.2 The work of Working Groups ends when the task has been completed, project or event has ended.

10. PUBLICATION OF NOTICES

- 10.1 Association notices shall be forwarded in writing, electronically or published in the Association website to its members.

11. REVISION AND CONTROL OF ACTIVITIES OF THE ASSOCIATION

- 11.1 The Association shall organise its bookkeeping according to the existing legislation.
- 11.2 The financial year of the Association is from the 1st of January to the 31st of December.
- 11.3 The Association has the right to call chartered accountants and other persons to audit the activities of Association.

12. MERGENCE, DIVISION AND LIQUIDATION OF ASSOCIATION

- 12.1 Mergence, division and liquidation of Association shall be decided by the General Assembly and shall take place pursuant to the procedure provided by law.
- 12.2 After the disputes of all creditors have been satisfied or warranted and finances of known creditors who have not made claims deposited, the rest of the assets are to be distributed to non-profit organisations and foundations enrolled in the list of non-profit associations, foundations benefiting from income tax incentives or to legal person in public law.

The Statutes of Association have been approved on 20.06.2019.