

BYLAWS

SMART EUREKA Cluster International Association

[] 2017

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CHAPTER I GENERAL PROVISIONS

Article 1. Name.

With the name "***SMART EUREKA Cluster on Advanced Manufacturing***", an association of international scope is established under Organic Act 1/2002, of 22 March, regulator of the Association Law, and the complementary standards, with a legal status and full ability to act on a not-for-profit basis.

In all matters not provided in these Bylaws, Organic Act 1/2002, of 22 March, and the complementary development provisions shall apply.

Article 2. Duration

This Association is established for an indefinite period.

Article 3. Purpose

The Association has the following purposes, to be develop in the field of advanced manufacturing:

- a) To promote, organise and coordinate R&D projects in advanced manufacturing areas and all related technologies.
- b) To provide assistance, through administrative support, to companies, research institutes and universities and any other entity related to advanced manufacturing, which has previously requested this support by signing the corresponding application, for a specific project whose purpose is to develop products, processes and/or innovative services in advanced manufacturing.
- c) To assist the partners and project participants so that they can contact the relevant public authorities to obtain their financial support.
- d) To extend the involvement and support of the EUREKA SMART Cluster, to as many EUREKA countries as possible.
- e) To analyse, evaluate and coordinate the financing of the projects related to advanced manufacturing that are presented.
- f) To monitor the progress of the projects presented.

- g) To collaborate and coordinate relationships between other non-partner entities involving public authorities.
- h) To measure the results and evaluate the overall impact of R&D programmes within the Association.

Article 4. Activities.

In order to achieve these purposes, the following activities shall be carried out:

- a. To define the Industrial Vision Statement and the SMART Technology Roadmap, as well as its successive updates.
- b. Organisation, in coordination with the public funding authorities, of the call for projects.
- c. Promotion of participation in the call for projects through Information Conferences and identification of collaborators for the presentation of projects.
- d. Definition and implementation of project evaluation and monitoring criteria.
- e. Evaluation and awarding of the SMART Label (defined as is the confirmation that the Association recommends the project for public funding in agreement with the "funding perspectives" provided by the concerned Public Authorities) to projects that exceed the established evaluation criteria and monitor them on a periodic basis.
- f. Periodic submission of information to the EUREKA Secretariat on the indicators of effectiveness of the programme developed, as well as their impact.
- g. Any other activity necessary to fulfil the purposes of the Association.

Article 5. Registered office.

The Association establishes its registered office at Paseo Mikeletegi, 59, 20.009 – San Sebastián, Gipuzkoa, Spain.

The Association may open delegations anywhere in the national territory or abroad. The Board of Directors shall have the jurisdiction to agree on the creation, deletion, or transfer of delegations, and also to transfer the register office inside Spain.

Article 6. Territorial scope.

The territorial scope of action of the Association is international, focusing preferably on the territory covered by the countries attached to the EUREKA intergovernmental network, notwithstanding its ability to develop projects and activities that contribute to the founding purposes of the Association anywhere else in the world.

CHAPTER II GENERAL ASSEMBLY

Article 7. Nature and composition.

The General Assembly shall be the supreme governing body of the Association and shall be composed of all partners.

Article 8. Meetings.

Meetings of the General Assembly shall take place on an ordinary and extraordinary basis. The Ordinary Meetings shall be held once a year within the six months following the close of the fiscal year. The Extraordinary Meetings shall be held when required by the circumstances, in the opinion of the Chairman, when agreed by the Board of Directors, or when proposed by a third part of the partners in writing.

The General Assembly shall hold its meetings at the location previously agreed by the Board of Directors.

Attendance at the General Assembly may be made either by being present at the location where the meeting is to be held, or, where applicable, at other locations established by the company, as indicated in the call, and by being connected to it by conference call means or other telematic means that allow the recognition and identification of the attendees and continued communication between them.

Any member that is unable to attend the Assembly may grant special powers in favour of another member, in order to represent them only in said that particular meeting of the Assembly. The granting of power should be communicated to the Chairman of the Board of Directors at least one week prior to the date of the Assembly meeting. One partner shall not be allowed to represent more than two partners.

The Board of Directors may invite third parties to attend the Assembly meeting. The guests shall not have the right to vote.

Article 9. Summons.

The summons of the General Meetings shall be made in writing and sent to each partner at the address provided for such purpose, including the place, day and time of the meeting, as well as the agenda with a concrete statement of the matters to be discussed. A minimum of fifteen days should be provided between the summons and the day established for the Meeting on first call. The date and time when of Meetings on second call shall also be recorded, and the term between both meetings shall not be less than one hour.

Article 10. Adoption of agreements and voting rights.

10.1. The General Meetings, both ordinary and extraordinary, shall be validly constituted on first call when they are attended by one third of the partners with voting rights and in the second call irrespective of the number of partners with voting rights.

The agreements shall be taken by a simple majority of the persons present or represented, when the affirmative votes exceed the negative ones, null, blank or abstention votes not being considered for this purpose.

A qualified majority of 2/3 of the persons present or represented shall be required for the adoption of the following agreements:

- a) Dissolution of the entity.
- b) Modification of the Bylaws.
- c) Disposal or alienation of property, plants, and equipment.

10.2. Each partner shall have at least one vote, corresponding to one vote for every one thousand euros (€1,000) of the accrued amount of fees paid, since the moment of admission as a partner (either as down payment or annual payment), as established in Article 32 of these Bylaws.

Article 11. Powers.

The General Assembly shall have the following powers:

- a) To approve the management of the Board of Directors.
- b) To examine and approve the annual accounts.
- c) To elect and dismiss members of the Board of Directors.
- d) To approve the dissolution of the Association.
- e) To modify the Bylaws.
- f) To dispose of or alienate assets.

CHAPTER III BOARD OF DIRECTORS

Article 12. Composition, renewal and remuneration.

12.1. The Association shall be managed and represented by a Board of Directors composed of a number of members that shall not be less than 3 or more than 25, which shall be required to appoint a Chairman, a Vice-Chairman and a Secretary by a simple majority of the votes.

In order to be elected a member of the Board of Directors, the status of partner shall be required.

The General Assembly shall establish the specific number of members of the Board of Directors, based on the number of countries and sectors participating in SMART projects.

12.2. The members of the Board of Directors shall be elected for a period of four years, re-election being permitted. The Board of Directors shall be renewed every two years. The Assembly shall determine, by a majority vote, the members to be appointed for a period of two years, when this is necessary to comply with this statutory mandate.

12.3. All positions that make up the Board of Directors shall be exempt from remuneration. Members of the Board shall not transfer to the Association their travel expenses, meal allowances or other expenses incurred when attending meetings.

12.4. All partners who, as of 1 January of each year, are members of the Board of Directors, shall pay the annual fee, in accordance with the provisions of Article 32.

If one year after the payment of the annual fee has accrued to members of the Board of Directors who failed to pay the annual fee, the provisions of Article 24 of these Bylaws shall apply.

Article 13. Meetings and decision-making.

The Board of Directors shall meet as often as determined by the Chairman, as well as at the initiative or request of one third of its members.

The call for the meeting shall be sent, in writing, to all members of the Board of Directors, including the items on the agenda to be discussed and the identification of any decision that shall require a vote.

The Board shall be constituted when it has the attendance of half plus one of its members, and its agreements, to be valid, shall require a majority vote of the attending members. In case of a tie, the Chairman's vote shall be a casting vote.

Attendance be considered through conference call systems or other telematic means that allow the recognition and identification of attendees and the continued communication between them. Each Board member shall have one vote.

The Board of Directors shall approve its own rules of operation, always subject to the provisions of these Bylaws.

Persons who have been invited by the Chairman may attend, with voice but without vote, provided that half of the attending members are not opposed to said invitation.

Article 14. Powers.

The powers of the Board of Directors shall be extended, in a general manner, to all acts appropriate to the purposes of the Association, provided that they do not require, under these Bylaws, express authorisation of the General Assembly.

The following are the specific powers of the Board of Directors:

- a) To guide the social activities and carry out the economic and administrative management of the Association, agreeing to make the appropriate contracts and acts.
- b) To execute the agreements of the General Assembly.
- c) To propose to the General Assembly candidates for members of the Board of Directors while taking into account the countries and sectors that participate in SMART Projects.
- d) To formulate and submit to the approval of the General Assembly the balance sheets and annual accounts.
- e) To approve the Association's economic and financial plan.
- f) To deliberate on the admission of new partners.
- g) To appoint delegates for any particular activity of the Association.
- h) To appoint work commissions or sections deemed appropriate for the proper functioning of the Association.
- i) To appoint the Office Director.
- j) To update the amount of the fees to be paid by the partners.
- k) The transfer of the registered office inside Spain.
- l) Negotiations with partner countries (countries affiliated with the EUREKA SMART cluster) and other public authorities.
- m) To regulate the rules of operation of the Technical Committee.
- n) To approve the composition of the Technical Committee, as well as the appointment of its members and of the Coordinator.
- o) To establish the rules that regulate the presentation of Project proposals and the selection process.
- p) To grant the SMART Label to projects evaluated at the proposal of the Technical Committee.

- q) Any other power that is not the exclusive jurisdiction of the General Assembly, partners or other bodies of the Association, in accordance with the regulation thereof agreed by the Board of Directors.

Article 15. Chairman.

The Chairman shall have the following attributions: to legally represent the Association before all kinds of public or private organisations; to convene, preside and lift the sessions held by the General Assembly and the Board of Directors, as well as directing the deliberations of both; To order payments and provide authorisation by signing documents, minutes and correspondence; to take any urgent action that is required for the good performance of the Association or that is necessary or convenient in the development of its activities, notwithstanding the subsequent reporting to the Board of Directors.

Article 16. Vice-Chairman.

The Vice-Chairman shall replace the Chairman in their absence, if motivated by illness or any other cause, and shall have the same powers.

Article 17. Secretary.

The Secretary shall be in charge of directing the purely administrative work of the Association, issuing certifications, taking the legally established books of the Association and the file of partners, and guarding the entity's documentation, making communications as appointed by the Boards of Directors and other social agreements to be filed in the corresponding Registry Offices, as well as the fulfilment of the documentary obligations in the legally corresponding terms.

Article 18. Director of the Association.

The operation of the Association shall be headed by a Director of the Association, also referred to as the Director of the EUREKA SMART Cluster Office, whose appointment and, where applicable, dismissal shall be the responsibility of the Board of Directors, and who shall have the powers assigned by it, in the corresponding power of attorney.

Article 19. Members.

The Members shall have their own duties as members of the Board of Directors, as well as those arising from the delegations or work commissions entrusted to them by the Board.

Article 20. Regime of resignations and substitutions.

The partners resign by voluntary resignation communicated in writing to the Board of Directors and due to breach of the obligations entrusted to them. The vacancies that for

these reasons occur shall be provisionally covered by the other partners until the final election by the General Meeting convened for the purpose.

They may also resign due to termination of the term of office. In this case, they shall continue to hold their positions until the acceptance of those who replace them takes place.

CHAPTER IV
TECHNICAL COMMITTEE

Article 21. Technical Committee.

The Technical Committee shall be composed of a Coordinator and experts of renowned prestige who have had and/or may have an active and outstanding participation for the achievement of the purposes of the Association, which are designated by the Board of Directors.

The main function of the Technical Committee is to advise the Board of Directors in the technical matters required.

CHAPTER IV PARTNERS

Article 22. Requirements and procedure for admission.

22.1. The members of the Association may be natural persons and legal entities, public or private, who are interested in promoting the purposes of the Association, subject to the following requirements:

- a) Having sufficient experience or potential in the field of advanced manufacturing R&D and being able to provide human resources, materials and/or know-how to fulfil the purposes of the Association.
- b) Undertaking to collaborate in its development through their participation as partners of the Association.
- c) Being required to fulfil the obligations and duties arising from these Bylaws and the agreements of the different bodies of the Association.

In turn, partner legal entities shall require the agreement duly adopted by the relevant body in which they manifest their desire to establish or join an association, as well as the appointment of the persons acting on their behalf.

22.2. To be admitted as a partner, the applicant who meets the requirements established above shall submit to the Board of Directors the completed form to be provided for this purpose by the Association, and the Board of Directors shall adopt the agreement at the following meeting held, provided that it is possible to include the agreement in the items of the Agenda, in accordance with the existing procedure for the call.

The Board of Directors shall notify the applicant of the admission or rejection within fifteen (15) days following the date on which the agreement was adopted.

When the request is estimated, the applicant shall proceed within thirty (30) calendar days from the date of notification to pay the established fees and appoint a representative in case it is a legal entity. Once this process is completed, the applicant shall be admitted as a full member, and a written notification shall be submitted to the other members of the Association.

Article 23. Classes.

The Association shall include the following classes of associates:

- a) **Promoters or founders**, who shall be those who participate in the constitution of the Association. Members who have joined the Association before 30 June 2018 shall also acquire the status of promoters or founders.
- b) **Full Members**, which shall be those that join after the establishment of the Association, in accordance with the process of admission regulated in these Bylaws.
- c) **Honorary Members** shall include those who, due to their prestige or for having contributed in a relevant way to the dignity and development of the Association, who shall then become credible to such a distinction. The appointment of Honorary Members shall be the responsibility of the Board of Directors. Honorary members may not be members of the Board of Directors, but may attend the meeting, with voice but without vote, in their capacity as guests, if approved by said body.

Article 24. Resignation.

Members shall resign for any of the following causes:

- a) By voluntary resignation, communicated in writing to the Board of Directors, at least six months in advance.
- b) By failure to comply with the economic obligations or to meet economic responsibilities in a period of 1 year.

Dismissed partners shall not be entitled to any contribution or payment by the association.

Article 25. Rights.

The founding and full members shall have the following rights:

- a) To take part in all activities organised by the Association in the fulfilment of its purposes.
- b) To enjoy all the advantages and benefits that the Association can obtain.
- c) To participate in the Meetings with voice and vote.
- d) To be electors and eligible for the bodies of the Association.
- e) To receive information on the agreements adopted by the Association's bodies
- f) To submit suggestions to the members of the Board of Directors in order to ensure a better fulfilment of the purposes of the Association.

Article 26. Duties.

The founding and full members shall have the following duties:

- a) To comply with these Bylaws and the valid agreements of the Meetings and the Board of Directors.
- b) To pay the quotas to be fixed.
- c) To attend Meetings and other events to be organised.
- d) To perform, where applicable, the duties inherent in the position they occupy.
- e) To maintain confidentiality on information relating to the Association whose disclosure may harm the interests of the Association or its partners and participants.

Article 27. Rights and duties of the honorary members.

Honorary members shall have the same obligations as the founding and full members except those provided in sections b) and d) of the preceding article.

Similarly, they shall have the same rights except those listed in sub-paragraphs c) and d) of Article 25, being able to attend meetings without having voting rights.

CHAPTER V ECONOMIC REGIME

Article 28. Economic regime of the Association.

The Association shall follow in its economic regime the following premises:

- a) It shall have a non-profit nature.
- b) Its income shall be entirely used for the purposes for which the Association is established.
- c) Its equity shall be independent of that of the persons and partner entities of the Association.
- d) It shall not issue shares or obligations, or distribute profits.
- e) Reserves may be established for specific purposes.
- f) In case of obtaining loans or credits, the subsidies of supra-state entities, the State, Autonomous Communities, Municipalities or other public or private entities shall never be used as collateral for such operations.
- g) In case of dissolution, the final equity shall be applied by the persons in charge of the settlement, at its discretion, as provided in Chapter VI of these Bylaws.

The persons and entities of the Association shall limit their economic responsibility to third parties for the contributions they must make to the Association. In no case shall they personally answer for the debts of the Association.

29. Economic resources.

29.1. The economic resources provided for the development of the purposes and activities of the Association shall be as follows:

- a) The fees of the partners regulated in these statutes.
- b) The economic contributions to be made by the participants of the SMART projects that obtain public financing and that shall be calculated according to their budget.
- c) The subsidies, bequests or estate that may be received legally by the partners or third parties.
- d) Any other legal resource.

29.2. All funds of the Association shall be intended for the fulfilment of the purposes thereof.

29.3. The benefits obtained by the Association, deriving from the exercise of economic activities, including the provision of services, should be used exclusively for the fulfilment of its purposes. In no case shall they be shared between the partners or shall their free be transferred to natural persons or for-profit legal entities.

Article 30. Equity.

The Association shall not have an initial equity.

The Association enjoys full autonomy in terms of administration and provision of its own purposes and activities.

Article 31. Duration of the fiscal year.

The associative and economic period shall be annual and its closure shall take place on 31 December of each calendar year.

Article 32. Fees to be paid by the partners.

Initially, the partners must pay the following fees:

a) **Entry fees:** The fee to be paid for acquisition of the membership status shall vary according to following categories:

- SMEs companies (following the definition given by EU Recommendation 2003/361): 2.000€
- Medium capitalization (those companies with less than 2.000 employees in its corporate group, according to the definition of partner enterprise and linked enterprise given by EU Recommendation 2003/361): 4.000-€
- Large companies (those companies that can't be consider as SMEs or medium capitalization according to the previous definitions): 5.000-€
- Others (Universities/RTOs/Associations, etc.): 3.000-€

Cluster Board, in case of discrepancy, will allocate the entering organisation in the above-mentioned categories.

b) **Annual fee:** Any partner who is a member of the Board of Directors as of 1 January of each year, from the date of establishment of the Association, shall pay an annual

fee whose amount shall also be fixed according to the characteristics of the partner. Specifically:

- SMEs companies (following the definition given by EU Recommendation 2003/361): 4.000€.
- Medium capitalization (those companies with less than 2.000 employees in its corporate group, according to the definition of partner enterprise and linked enterprise given by EU Recommendation 2003/361): 8.000-€
- Large companies (those companies that can't be consider as SMEs or medium capitalization according to the previous definitions): 10.000-€
- Others (Universities/RTOs/Associations, etc.): 6.000-€

Those appointed as Board members later than January 1st shall paid the proportional part.

Cluster Board, in case of discrepancy, will allocate the entering organisation in the above-mentioned categories.

CHAPTER VI DISSOLUTION

Article 33. Dissolution.

The Association shall be dissolved voluntarily when agreed by the Extraordinary General Meeting convened for said purpose, in accordance with the provisions of Article 10 of these Bylaws.

Article 34. Liquidation and destination of the remainder.

In the event of dissolution, a liquidation committee shall be appointed. Once the debts have been settled, the liquid surplus, if any, shall be used for purposes that do not detract from the non-profit nature of the Association.