

# Articles of Association

## Welfare Tech Association

Name, registered office and aims

### Section 1 Name

The name of the association is Welfare Tech.

### Section 2 Registered office

The Association is registered in the Municipality of Odense.

### Section 3 Purpose

The Welfare Tech Association is to contribute to the fulfilment of the vision of the Region of Southern Denmark as an international hub for welfare technology and services.

The purpose of Welfare Tech is to organise public, non-commercial business development activities that create value added in existing businesses and support the development of new process- and product-innovative businesses in the area of welfare technology in Denmark.

## The Members of the Association

### Section 4 Membership

Businesses, organisations, associations, research, educational and knowledge establishments and public authorities and their institutes, centres, institutions etc. that wish to promote the aims of the Association and through their activities contribute to promoting the development of welfare technology are eligible for membership.

### Section 5 Enrolment and withdrawal

Enrolment enquiries should be submitted to the Secretariat (Welfare Tech Unit). The Welfare Tech Unit determines whether an entity is eligible for membership. In cases of doubt, an application for enrolment may be submitted to the Board of Directors.

Withdrawal may take place with three (3) months' notice in writing to the Welfare Tech Unit effective from the beginning of a calendar year.

### Section 6 Exclusion

The Board of Directors may exclude a member if the member in the opinion of the Board is acting counter to the aims of the Association or brings the Association into disrepute.

## Management

### Section 7 General meeting

The general meeting is the highest authority in all association matters.

The Association holds its general meeting annually in the month of April and may organise extraordinary general meetings at any other time. An ordinary general meeting will not, however, be held in the Association's founding year. General meetings are called by the Board of Directors with a minimum of three (3) weeks' notice to all members. The notice of a general meeting must contain an agenda for the meeting and indicate the most important proposals for changes to these Articles of Association, if applicable.

For election of Board Members at the general meeting, the notice of the general meeting must also contain a list of candidates standing for election, cf. Section 12.

The Chairman of the Board or the Welfare Tech Unit must be in receipt of proposals that are to be discussed at a general meeting, including proposals for candidates to be elected to the Board, before the end of March or no later than ten (10) days prior to the notice of the general meeting.

The agenda for the annual ordinary general meeting must include:

1. Election of chairman
2. Submission of annual report
3. Approval of annual report and audit report
4. Proposals from the Board of Directors, members or general management
5. Election of Members of the Board of Directors
6. Election of auditor
7. Any other business

The general meeting may only take decisions on matters contained in the agenda. Decisions on other matters may only take place with the consent of all members.

### **Section 8 Extraordinary general meeting**

An extraordinary general meeting is held when the Board of Directors deems this to be necessary or at the request of one third of the members who are entitled to vote. Such request must be submitted in writing to the Board of Directors and contain a draft agenda.

Extraordinary general meetings requested by the members of the Association must be held within three (3) weeks of the request for the meeting having been received by the Association.

Extraordinary general meetings must be called with a minimum of eight (8) days' notice.

### **Section 9 Attendance and voting rights**

All members are entitled to attend, vote and speak at the general meeting. Each member has one vote. Voting for each member may only be exercised by one person. On enrolment into the Association, the member informs the Association in writing of the person who has the authority to represent and bind the member. All members who no later than one (1) week prior to the meeting have submitted their registration in writing to the Secretariat are entitled to attend the meeting.

Voting may take place by proxy.

### **Section 10 Voting**

The subject proposals tabled at the general meeting are decided by simple majority – with the exception of proposals for changes to these Articles of Association or proposals for dissolution of the Association, cf. Section 25.

### **Section 11 Board of Directors**

The general meeting elects a Board of Directors with overall responsibility for running the Association. General management is handled by a secretariat which is called the Welfare Tech Unit. The Board of Directors may appoint a chairman, special committees and working groups to handle tasks for and with reference to the Board.

## **Section 12 The composition of the Board of Directors**

The Board of Directors consists of eleven (11) Board Members across three (3) categories:

- Five (5) members from the private sector business community. The Association seeks to strike a balance between large and small businesses on the Board.
- Three (3) members from public sector authorities. The Association seeks to elect one representative of the region and the others from the municipalities.
- Three (3) members from research, knowledge and educational establishments.

The Board of Directors is elected from among the candidates listed on a nomination list prior to the general meeting. Candidates not included in the nomination list cannot be elected unless all the members of the Association consent to such nomination.

Anyone may stand as a candidate for the Board of Directors.

Nominations for candidates for the Board of Directors to be elected at the ordinary general meeting must be submitted to the Chairman of the Board or the Welfare Tech Unit before the end of March or no later than ten (10) days prior to the call for the general meeting.

All submitted proposals for candidates whom the Board considers eligible for election are included in a nomination list where the candidates are listed by the category under which they are standing.

Nominations must state the category for which the candidate wishes to stand. This means whether the candidate is standing as a member of the private sector business community, public sector institutions or research and educational establishments. The nomination must further contain a description of the candidate's qualifications to allow an assessment of whether the candidate possesses sufficient experience in the stated category.

The election of Board Members from among the candidates takes place in separate elections for each category. The election of candidates within the same category takes place by the members who are eligible to vote. They vote for three (3) or five (5) candidates within the category whom they wish to elect to the Board.

The elected members are personally elected and not subject to instructions from an employer. The Board of Directors is elected for a period of two years. Re-election is possible. The election period expires at the ordinary general meeting.

## **Section 13 Election of Chairman of the Board and two Deputy Chairmen**

The Chairman of the Board and one of the Deputy Chairmen are elected from among Board Members drawn from the private sector business community. The Association seeks to strike a balance between large and small enterprises. The other Deputy Chairman is elected from among Board Members from public sector authorities or research, knowledge and educational establishments.

### **Section 13, sub-section 2 Election of substitute members**

A number of substitute members are elected for each category of board member. The substitute members are elected from among the candidates included in the nomination list.

The person or persons who in the elections to the Board gained the most votes without having been elected to the Board are elected as substitute members. In the event of a Board Member withdrawing from

the Board prior to the expiry of the election period or in the event of permanent withdrawal of a member of the Board, the substitute member will take his or her place.

#### **Section 14 Decision-making of the Board of Directors**

The Board sets its own agenda. The Board makes decisions at board meetings. The Chairman calls the board meetings. The Chairman must ensure that the Board calls meetings when required. The Board must convene a minimum of four times a year. The Chairman must call a meeting when requested to do so by a Board Member.

The Chairman must ensure that all Board Members are called to the meeting.

The Board may in exceptional circumstances make decisions by telephone conference, in writing or by e-mail.

The Board is competent to transact business when a minimum of half the Board Members are present.

Decisions are made on the basis of a simple majority. In the event of parity of votes, the Chairman – or in the Chairman's absence the Deputy Chairman – has the casting vote.

The Board keeps minutes of its meetings. The minutes must be signed by all Board Members. A Board Member who does not agree to a Board decision has the right to have his/her opinion reflected in the minutes. The Board of Directors may allow other persons employed in the Welfare Tech Unit to attend board or chairmanship meetings for purposes of managing secretariat functions etc. for the Board and the Chairmanship. The Board and the Chairmanship may invite other persons to attend meetings when this is deemed to be appropriate in the discussion of any matter.

#### **Section 15 The responsibilities of the Board of Directors**

The Board of Directors has overall responsibility for the running of the Association and monitors the Association's general management. The Board's responsibilities include:

- The general vision and long-term strategies of the Association.
- Monitoring of and overall responsibility for the implementation of the Association's activities.
- Continuous monitoring of on-going projects and their progress.
- Preparation of general meetings, including submission of draft annual accounts, financial review and membership rates for approval at the ordinary general meeting
- Determining the guidelines for the work of the Welfare Tech Unit, including appointments. The Board of Directors is further responsible for ensuring that the conditions for fund support from the European Regional Development Fund and regional business development funds for the Welfare Tech project are continuously met, including (but not limited to):
  - That business development activities are not anti-competitive in relation to private sector business. This includes ensuring that direct financial support is not given to individual enterprises.
  - That an assessment report is prepared annually documenting the effects achieved by the project.
  - That the results of the project are made public.
  - That the conditions for support for sub-projects are met. The Chairman chairs board meetings and ensures that minutes are taken.

#### **Section 16 Remuneration of the Board of Directors**

The position as Chairman is salaried. The Chairman's salary is set by the general meeting. The remaining Board Members do not receive a salary.

The Board of Directors may decide to reimburse Board Members in the form of mileage allowance, travel expenses etc.

### **Section 17 The Managing Director and the Welfare Tech Unit**

The Managing Director handles the general management of the Association and manages the Secretariat, the Welfare Tech Unit and staff. The Managing Director is appointed by the Board. The Managing Director follows the guidelines and instructions provided by the Board of Directors.

The Welfare Tech Unit is responsible for servicing the Board, project implementation, project management, administration, accounts, financial management etc. The Managing Director is responsible for ensuring that this takes place in compliance with statutory regulations and that assets are managed in an adequate manner.

The Managing Director attends board and executive committee meetings. The Managing Director is not entitled to vote at board meetings.

### **Section 18 Conflict of interest and confidentiality**

The Board of Directors, the Managing Director and the Welfare Tech Unit must in their work to support business development activities comply with general rules on disqualification and conflict of interest, cf. the provisions contained in the Danish Public Administration Act. Pursuant to Section 3 of the Danish Public Administration Act:

Any person in public administration is disqualified from any matter if

- 1) he or she has a personal or financial interest in the outcome of a matter or is or has previously in the same matter acted as the representative of a person with such an interest.
- 2) his or her spouse, relation by blood or marriage in an ascending or descending line or as close as cousins or other kin has a personal or financial interest in the outcome of a matter or is acting as the representative of a person with such an interest.
- 3) he or she participates in the management of or otherwise has a close association with a company, association or other private legal entity which has a special interest in the outcome of the matter.
- 4) the matter relates to a complaint about or exercise of control or supervision of another public authority and he or she has previously at this authority been involved in the decision or the implementation of the measures to which the matter relates.
- 5) other circumstances exist that may cause doubt as to the impartiality of that person.

Sub-section 2 Conflict of interest does not exist, however, if as a result of the nature or strength of the interest, the nature of the matter or the person's function in connection with the matter cannot be assumed to constitute a risk of a decision in the matter being affected by extraneous considerations.

Sub-section 3 Anyone with a conflict of interest in a matter may not make decisions, participate in decisions or otherwise participate in the processing of the matter concerned.

Correspondingly, the Board of Directors, the Managing Director and the Welfare Tech Unit are under obligation to comply with general rules on confidentiality – including, in particular, in relation to information that constitutes commercial secrets, i.e. confidential information about e.g. operational or business matters relating to individuals or companies/associations, technical installations and/or methods. (Cf. also Section 27 of the Danish Public Administration Act).

## Financial matters

### **Section 19 The financial basis**

The financial basis for the Association's activities are achieved through:

- Membership subscription
- Project funds

The activities of the Association are financed by Welfare Tech being a recipient of pledges and acting as a project partner in various project activities according to the aims of the Association. The Association thus receives various forms of subsidy or fees for the activities in which the Secretariat participates within the framework of Danish legislation on business development. Activities are further financed by revenue from membership subscriptions etc. The Board of Directors is responsible for ensuring the correct application of these funds in compliance with the terms set out in pledges or specific agreements.

### **Section 20 Membership subscription**

Members pay a subscription fee according to rules set by the general meeting as proposed by the Board of Directors.

### **Section 21 Liability**

The Association is only liable for its obligations to the value of its current assets. The members of the Association and the Board of Directors cannot be held personally liable for the obligations that the members have separately undertaken as partners in the Association's project activities or in relation to unpaid membership contributions for any financial year.

### **Section 22 Use of profits**

Annual profits from the Association's activities must be used in accordance with the Association's aims. Profits cannot be distributed to the Association's members. Allocations must be made as required by the Association's financial position.

### **Section 23 Accounts and auditing**

The Association's financial year follows the calendar year.

The Association's accounts are prepared in accordance with good accountancy practice and are signed by the Managing Director and the Board of Directors.

The general meeting appoints a state-certified auditor to audit the annual accounts. The auditor is elected for a period of two years. The auditor may be re-elected.

## Authority to bind etc.

### **Section 24 Authority to bind etc.**

The Association can be bound by the signature of two Board Members of whom one should be the Chairman or Deputy Chairman. The Board of Directors may appoint an individual to sign for the Association. In matters relating to general management, the Association is bound by the signature of the Managing Director.

## Changes to the Articles of Association and dissolution

### **Section 25 Changes to the Articles of Association and dissolution**

Decisions on changes to the Articles of Association require that the proposal is accepted by two thirds of the votes at the general meeting. Decisions to change the aims of the Association, to dissolve the Association or change Section 25 require a proposal by the Board of Directors and acceptance by nine tenths of the votes at the general meeting. On dissolution, the general meeting must adopt a plan for the

settlement of all financial obligations. If the Association on the date of dissolution has assets, these must – after all obligations have been settled – on the recommendation of the Board of Directors be transferred to a non-profit institution or fund working on business development within the area of welfare technology in Denmark.

## Commencement date of these Articles of Association

### **Section 26 Commencement date**

The general meeting approved changes to these Articles of Association on 17 April 2013.