

CECED CZ -
Association of European Manufacturers of Domestic Equipment

Association of Legal Entities

STATUTES amended by 6.12.2016

§ 1

BASIC PROVISION

1. Name of the association: CECED CZ – Association of European Manufacturers of Domestic Equipment (hereinafter as „CECED CZ“ or „association“).
2. Address of the association: Prague, capital city of Czech Republic.
3. CECED CZ is an association of legal entities founded according to § 20f of the Civil Code of Czech Republic.
4. CECED CZ is a national non-profit association and an independent legal entity.
5. CECED CZ associates members, whose scope of business is manufacturing, transport and sale of products such as Large Domestic Equipment (refrigerators, freezers, dishwashers, cookers, extractors, washing machines and tumble dryers, their combinations, etc.), Small Domestic Equipment (vacuum cleaner, irons, coffeemakers, toasters, personal beauty care products, etc.) and special products (heating, ventilation, air conditioning, water heaters, etc.) hereinafter just “products”.
6. CECED CZ was established by the memorandum of association by 27th November 2003 by these companies:
 - (a) **BSH, domácí spotřebiče s.r.o.**
Address: Ulice 1. pluku 8-10/621, 186 30 Praha 8
Statutory representative: executive head – Ing. Norbert Furin
IČO (Taxpayer Identification Number): 25 12 69 54
Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka a. 51947
 - (b) **CANDY ČR s.r.o.**
Address: Karmelitská 379/18, 118 00 Praha 1

Statutory representative: executive head - Ing. Viktor Fiala, general manager with general confirmation

IČO: 25 75 49 55

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 67277

(c) **ELECTROLUX, s.r.o.**

Address: Budějovická 5, č. p. 64, 140 21 Praha 4

Statutory representative: executive head – Ing. Petr Novotný

IČO: 31 358 446

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 2461

(d) **FAGOR ELEKTRO s.r.o.**

Address: Argentinská 38, 170 00, Praha 7

Statutory representative: executive head – JUDr. Miroslav Filip

IČO: 61 45 90 03

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 28115

(e) **GORENJE spol. s r.o.**

Address: Pobočná 1/1395, 140 00 Praha 4

Statutory representative: executive head – Ing. Saud Hadžič

IČO: 40 61 22 44

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 2627

(f) **Merloni Elettrodomestici Česká republika, s.r.o.**

Address: U nákladového nádraží 2/1949, 130 00 Praha 3

Statutory representative: executive head – Karel Pacourek

IČO: 25 62 37 29

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 55714

(g) **MIELE, spol. s r.o.**

Address: Hněvkovského 81 b, 617 00, Brno

Statutory representative: executive head – Mgr. Tomáš Abraham

IČO: 18 82 95 03

Registered in Business Register CZ: Krajský soud v Brně, oddíl C., vložka č. 1790

(h) **Philips Česká republika s.r.o.**

Address: Šafránkova 1238/1, 155 00 Praha 5

Statutory representative: Ing. Petr Horký, director of small appliances division with general confirmation

IČO: 63 98 53 06

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 38206

(i) **Whirlpool CR, spol. s r.o.**

Address: Na Březince 6, 150 00 Praha 5

Statutory representative: executive head - Ing. Radek Novotný

IČO: 49 24 34 11

Registered in Business Register CZ: Městský soud v Praze, oddíl C., vložka č. 20460

§ 2

SCOPE OF BUSINESS AND OBJECTIVES

2. 1. Scope of Business

1. Advocate and represent the interests of our members during the meetings with the state office, law-making bodies and other state or other organizations and institutions.
2. Coordinate the cooperation of European manufacturers in technical areas with international, European and national standardisation, certification and other relevant offices.
3. Provide and secure professional service for our members regarding:
 - Consulting in areas of professional interest of the member
 - Continuous informing of our members about the current development and state of the legislation, technical regulations and standards in areas regarding the products, that are in scope of business of the association
 - Collecting of needed data and statistics, securing expert analyses
 - Economical and legal services
 - Comment procedures to all important regulations regarding the interests of the members of the association
 - Lobbying activities
 - Services of presentation and promotional nature
 - Support of educational activities (courses, seminars, workshops, conferences...)
 - Educating in the area of compliance with competition law

2.2. Objectives

1. Strengthen the influence of the branch on the law-making bodies and the agents with decision-making powers.
2. Discuss directly with the opinion-makers, consumers and media about all problems relevant to our scope of business and thus maintain effective organisation to accomplish the objectives and specific tasks.
3. Organize all common operations and activities.
4. Support the trust in economic environment and competition.

CECED CZ cannot take any action that could influence the competition among our members.

§ 3

RELATIONSHIPS WITH OTHER ORGANISATIONS

CECED CZ, as a member of CECED (from *French: Conseil Européen de la Construction Electro-Domestique; Eng.: European Committee of Domestic Equipment Manufacturers*) with the address at: CECED Secretariat, Boulevard Brand Whitlock 114 – 1200 Brussels – Belgium, maintains contact with non-governmental organisations representing the broader interests of manufacturers of domestic equipment, suppliers of electricity and consumers (commercial associations, energy agencies, environmental agencies, universities, etc.).

§ 4

MEMBERSHIP

4.1. Membership

A company can become a member of the association if they are:

1. Manufacturers or importers of “products” in Czech Republic or a subsidiary company of foreign manufacturers of “products” from other countries;
2. Official representatives [branches] of manufacturers from any of the Member State of EU;
3. Companies acting in the area and would be recommended by at least 2 members of the association
4. A foreign legal entity fulfilling the requirements set by 1.-3. of this paragraph.

4.2. Becoming a member

1. Forming members of the association became the official members by the day of the official registration of the association at the relevant administrative office.
2. Membership of new members is decided according to the acceptance or rejection of their application at the next General Assembly.

4.3. Responsibilities of members

1. Follow the statutes and bylaws of the association, including the Manual for compliance with the competition law created by CECED CZ and agreed upon according to these statutes (hereinafter as “Manual for compliance”).
2. Act according to the fair principles of business meetings.
3. Contribute to national and European statistical tables.
4. Pay membership fees and rewards for services up to date.
5. Participate in the activities of the association.
6. Accept strategical positions and views developed and supported by the industry representatives both on national and European level.

7. Accept unilateral liabilities of the industry, which CECED CZ agreed upon.
8. Urgently inform CECED CZ about essential actualities that are related to the legal existence/activities of the association.
9. New member is obligated to pay in whole the membership fee and reward for services for the year in which he was accepted as a member.
10. Every member is obligated to ensure that statutes and bylaws including the Manual for Compliance is followed also by the persons chosen by the member to represent their interests within the association, who will be properly and regularly trained in this area.

4.4. Rights of members

1. To participate on all decisions of the association.
2. To be well informed about all relevant actualities. To take part in the General Assembly of CECED CZ.
3. To withdraw from the association (by a letter of notification to the president of the association).
4. To ask CECED CZ for a review of the decision of General Assembly of the association if the member believes his legitimate interests were harmed by this decision.
5. To participate in activities of CECED as a member of national delegation.

4.5. Voting rights of members

1. Every member has voting rights, which are divided according to their declared turnover in Czech Republic: one vote for every 200 million Czech crowns started in Czech Republic.

2. Declared turnover includes:

- wholesale and retail sale of products, their accessories and components by a buyer with registered office on the territory of Czech Republic, where the seller is the member of CECED CZ or majority shareholder (§66a para. 1 of the Commercial Code) of the member of CECED CZ
- after-sale technical service
- sale to another member of CECED

Declared turnover does not include exceptional income, income from re-export or income from export to other countries outside the scope of CECED. The formula for calculation of the income is specified in the bylaws.

4.6. Termination of membership

1. Any member that does not follow the requirements and responsibilities set by these statutes can be expelled from the association by the decision of General Assembly with 2/3 votes of all association members. Such member will have a chance to recite their defence before the voting takes place.
2. Any member can terminate their membership in CECED CZ; in case they submit the request for termination until 30.9. (September), their membership will be terminated by 31.12. of the same year; in case the request will be submitted after 30.9. (September), the membership will be terminated by 31.12. of the next year. The member is obligated to pay the membership fee even in the year in which his membership is terminated.
3. A member, that is either dispelled from the association by the decision of General Assembly or decides to terminate the membership on his own is not entitled to any payments of association's funds and is obliged to pay his membership fee for the current financial year.

§ 5

ASSOCIATION AUTHORITIES

Association authorities are:

- General Assembly,
- Steering Committee,
- President,

- General Director,
- General Secretary.

5.1. General Assembly

1. Members of the General Assembly are all members of the association. The members at General Assembly are represented by authorized representatives on the level of top management of respective companies (statutory authority or a person authorized by such authority to act on their behalf).
2. General Assembly is convened by the president of the association and happens at least once a year. General Assembly meets the required quorum if at least 50% of the members with at least 51% of the votes are present during the meeting. The invitation to General Assembly has to be sent along with the draft of the program by letter with delivery report not later than 15 days before the General Assembly takes place.
3. In case the General Assembly does not have the quorum for decision making in the official date of the meeting, a new General Assembly will take place in the next 5 working days. This new General Assembly has the quorum for decision making if there is at least one third (1/3) of the members with at least 34% of the votes present. The procedure of notification to non-participants about the negative quorum at the first official General Assembly is clarified within the bylaws.
4. An extra General Assembly has to be convened on any occasion if requested by letter by at least one third (1/3) of the members in the following 30 days from the date of receiving the request.
5. General Assembly decides only about the topics put on the program before the meeting and in accordance with the Manual for Compliance and about which were the members notified before the General Assembly. General Assembly can change their program only with the agreement of all members of the association and in accordance with the Manual for Compliance.
6. Decisions are accepted based on the consensus (without nays) of participating members. In case the consensus cannot be reached, the president can decide based on the qualified majority. Decision based on qualified majority needs to be accepted by at least two thirds (2/3) of all members with at least 67% of the votes.
7. In case of necessity or in case the General Assembly cannot be convened to a specific date, the president can ask general secretary to start voting by letter (per rollam). Details about the topics in question have to be sent by letter, fax or e-mail and always discussed by phone and every member is obliged to notify general secretary about the delivery of all the documents.
8. The decision made by letter has to be agreed upon in the following General Assembly.

9. In case of deciding or agreeing upon contracts of the association that relate to all the members and consider a commitment of the association to a third party or financial expenses not agreed upon in the annual budget, unanimous consent of all present or represented members is needed.
10. After the General Assembly is over, minutes from the meeting are made, kept in the office of the association. The minutes from General Assembly have to be authorized and signed by the president and one member that was present to the General Assembly chosen at the General Assembly.
11. The president, general director and general secretary act and sign on behalf of CECED CZ when operating for the association with third parties, each in their scope of competence.
12. Voting against (nay) has to be namely written in the minutes of the General Assembly.
13. General Assembly agrees upon the number of votes of each member for each calendar year based on the declaration of turnover by each member. The declaration of turnover has to be done by 28.2. of each year at latest.

5.2. Rights and obligations of General Assembly

1. Acts and decides on the policies of CECED CZ based on strategic instructions from CECED.
2. Decides based on proposals from Steering Committee about (i) the scope of interests of the members CECED CZ represents, (ii) the establishment of a department for specific products, (iii) the establishment of expert committees.
3. Based on the proposal of Steering Committee either accepts or rejects the application for a new membership.
4. Elects and withdraws the president.
5. Elects and withdraws representatives into the Steering Committee.
6. Elects and withdraws general director.
7. Decides the amount of rewards for the president and general director for their performance in the function in the association.

8. Elects and withdraws the treasurer.
9. Authorizes the plan of activities, budget, annual financial statement and the amount of membership fees and rewards for the services of the association.
10. Authorizes bylaws in accordance with the current statutes, so the association and its bodies can function properly.
11. Decides on the changes of statutes and authorizes bylaws and its amendments, including the Manual for Compliance.
12. Authorizes all types of contracts of the association.
13. Decides on the form of liquidation of the association.

5.3. Steering Committee

Steering Committee manages the association in the time between the General Assemblies.

1. Steering Committee is composed of the representatives of each member from their top management. Steering Committee has as many members as there is in the association.
2. Members of the Steering Committee are elected by the General Assembly.
3. General Director and General Secretary both participate in the meetings of Steering Committee as members without a vote.
4. The scope of activities of the Steering Committee includes:
 - a) Submit to the General Assembly:
 - General strategic guidelines;
 - Draft of budget, membership fees and rewards for services;
 - Proposal of candidates for president, general director and/or treasurer;
 - Proposal for establishment of any specific service and organisational structure, that financially concerns all members;
 - Proposal for authorisation of application of new members;

- Proposal for the number of votes for each year;
 - Proposal for amendments of statutes and bylaws and its amendments including the Manual for Compliance.
- b) every member has 1 vote. Steering Committee has a quorum to decide, if there is at least 50% of the members with a vote participating;
- c) the president of the association presides in the meetings of the Steering Committee. He should follow the consensus. If the committee does not come to a unanimous agreement, they will vote and the quorum will be reached only if at least two thirds (2/3) of the participating members with a right to vote reaches an agreement; in case no agreement is reached, Steering Committee submits the case for the General Assembly to decide.
- d) Steering Committee overviews the treasurer's report, which it then submits to General Assembly along with the annual budget to confirm for the upcoming year.
5. Steering Committee makes decisions about the topics included in the program only and according to the Manual for Compliance and which have been circulated to all the members before the meeting. The Committee can change their program of the meeting only with the agreement of all members and according to the Manual.
6. Minutes from the Steering Committee are made at the end of each meeting, which are then stored in the office of the association. Minutes from the meeting agreed upon by all members are signed by the president and one member chosen at the meeting.

5.4. President

1. The president is a statutory authority of the association CECED CZ and acts on behalf of the association.
2. The president is elected by General Assembly for the duration of 2 years. The president is elected from the members of Steering Committee.
3. In case there is no candidate that fulfils the requirements and which agrees with his/her nomination, the president is chosen so that all representatives of the members of the association change in this order:
 - ELECTROLUX, s.r.o. (representative in position from 23. 11. 2003 to 31. 1. 2008)

- Whirlpool CR, spol. s r.o. (representative in position from 1. 2. 2008 to 31. 1. 2010)
- Gorenje spol. s r.o. (representative in position from 1. 2. 2010 to 31. 1. 2012)
- BSH, domácí spotřebiče s.r.o. (representative in position from 1. 2. 2012 to 31. 1. 2014)
- Indesit Company Česká, s.r.o. (representative in position from 1. 2. 2014 to 31. 3. 2015)
- Candy Hoover ČR s.r.o. (representative in position from 23. 4. 2015 to 31. 5. 2017)
- Philips Česká republika s.r.o.
- Miele, spol. s r.o.
- BEKO Spolka Akcyjna, org.sl.
- Ariston Thermo CZ s.r.o. member since 15. 5. 2008
- DAIKIN AIRCONDITIONING spol. s r.o. member since 14. 1. 2010
- Teka CZ s.r.o. member since 17. 5. 2011
- VORWERK CS k.s. member since 4. 12. 2013
- FAGOR ELEKTRO s.r.o. member since 3. 12. 2015
- And any new members according to their entry to the association.

A member that has terminated its membership in the association is removed from the list without the association having to change the statutes.

The General Secretary takes responsibility that this order is followed properly.

In case the list is exhausted, the order will repeat from the top again.

4. The president has the responsibility that the association works properly and that General Assembly and Steering Committee makes decisions in a timely manner.
5. The president (or a member appointed by him) manages the meetings of both General Assembly and Steering Committee.
6. The president appoints and recalls the General Secretary.
7. The president, based on full power, can transfer the exercise of some of his/her competences onto the General Director.

5.5. General Director

1. General Director is appointed and recalled by General Assembly. General Director acts on behalf of the association as its authority within the scope of the competences transferred to him/her by the president based on Art 5.4 para 7 of these statutes.

2. General Director is subordinated to the Steering Committee. General Director instructs General Secretary from his/her senior position according to the labour law legislation and he is also in a senior position to any other expert employees of the secretariat of the association.
3. General Director represents the association mainly in expert and technical working groups of ministry and union departments of which the association is a member of (Czech Confederation of Commerce and Tourism, Confederation of Industry of the Czech Republic, etc.). General Director also fulfils professional tasks given to him/her by the Steering Committee.
4. General Director submits the concept and plan of current activities focusing on the actual situation in the area of legislative development to the Steering Committee.
5. General Director is always neutral, s/he does not represent any specific member of the association and s/he is obligated to follow the Manual for Compliance and to make sure it is followed by everyone else during the meetings of the association.

5.6. General Secretary

1. General Secretary is appointed and recalled by the President.
2. General Secretary has the responsibility (based on the instructions from General Director) for the proper management of the association, its continuity, coordination of its activities and implementation of agreed decisions.
3. General Secretary is responsible for everyday functioning of the association and all its activities related to the objectives of the association. General Secretary is subordinated to General Director who gives him/her instructions from his/her senior position according to labour law.
4. General Secretary represents the association during meetings where s/he is empowered to do so by the Steering Committee or General Director.

5. General Secretary is always neutral, s/he does not represent any specific member of the association and s/he is obligated to follow the Manual for Compliance and to make sure it is followed by everyone else during the meetings of the association.

5.7. Treasurer

1. The Treasurer is elected among the members of the association. His/her activities are specified by the bylaws of the association.

5.8. Course of action

1. The representative and signatory of the association when operating with third parties is individually either the President, General Director and/or General Secretary.

§ 6 FINANCES

1. The draft of annual budget of the association is submitted by General Secretary with the help of General Director and the Treasurer to Steering Committee. Steering Committee then submits the draft to General Assembly.
2. Financial statements from last year have to be checked by approved auditor before the Treasurer can submit them to Steering Committee to be accepted by General Assembly.
3. Expenses related to the activities of the association under §2 art. 2.1 para 1 and 2 of the statutes will be covered from the membership fees, which are set down by General Assembly on proposal of Steering Committee. The amount of membership fee for each member is set by the number of votes they have, with respect to the accepted budget. The General Assembly can decide on a different approach to the calculation of the membership fee.

4. Expenses related to the activities of the association under §2 art 2.1 para 3 of the statutes will be covered by the rewards for these services and their amount will be set by the rules set under § 6 art 3 of the statutes. The proposed amount is submitted by Steering Committee to the General Assembly, which then authorizes the amount. The amount and form of paying is specified within the mandate contract, which the association concludes with each member individually for each year.
5. Every member of the association is obligated to pay the membership fee and the reward for services, while none of the members bear responsibility for commitments accepted on behalf of the association.

§ 7

STATUTE AMENDMENTS AND THE TERMINATION OF THE ASSOCIATION

1. These statutes can be amended only by voting of General Assembly and the quorum is reached if at least two thirds (2/3) of the members agree upon the changes; also there has to be at least two thirds (2/3) of all members voting.
2. General Assembly can only vote about amendments which are officially communicated by letter to all members along with the invitation to the General Assembly.
3. To agree upon the termination of the association, at least two thirds (2/3) of all members has to vote and at least two thirds (2/3) of the votes have to be in favour of the termination. In case the termination is agreed upon, the General Assembly decides on the form of liquidation and on the property settlement. The decision about the form of liquidation of the association is valid if there is at least 50% members with a right to vote present or represented at the meeting. Unless General Assembly decides otherwise, the liquidation balance after settlement of all claims will be divided among all members based on their contribution to the association in the year, in which the decision about liquidation has been made. The liquidator is agreed upon by the General Assembly, based on the proposal from General Secretary. General Secretary him/herself can be the liquidator.

These statutes have been approved by the members of the association at the General Assembly on 6th December 2016.