

# ARTICLES OF ASSOCIATION OF THE NON-PROFIT ASSOCIATION ESTONIAN AVIATION CLUSTER

## 1. GENERAL PROVISIONS

1.1. The Non-Profit Association *Estonian Aviation Cluster* (hereinafter the **Association**) is a voluntary non-profit organization. Its Estonian name is **Eesti Lennundusklast**.

1.2. The Association is a private legal entity with an independent balance sheet, its own bank account, and other necessary attributes. In its activities, the Association shall be governed by applicable legislation and these Articles of Association (hereinafter the **Articles**). The Association may act in its own name as plaintiff or defendant in courts and arbitration proceedings.

1.3. The Association shall be liable for its obligations with all of its assets. The members of the Association shall not be liable for the obligations of the Association, nor shall the Association be liable for the obligations of its members.

1.4. The Association was established on 5th December 2018 for an indefinite period.

1.5. The registered office of the Association is in Tallinn, Estonia.

## 2. OBJECTIVES OF THE ASSOCIATION

2.1. The objectives of the Association are as follows:

2.1.1. to develop and implement strategies and action plans for the aviation sector in Estonia;

2.1.2. to represent the common interests of the Association's members in communication with state and local government authorities, as well as other organizations;

2.1.3. to participate in the drafting of sectoral normative acts related to the comprehensive development of aviation as an industry;

2.1.4. to introduce new services and attract foreign investment in order to enhance the competitiveness of the aviation business environment;

2.1.5. to strengthen cooperation with aviation sector partner organizations, including aviation clusters in other countries;

2.1.6. to participate in aviation-related conferences, fairs, networking events, and/or to organize such events;

2.1.7. to provide consultancy services in the field of aviation;

2.1.8. to inform the public about developments in aviation and its future prospects.

## 3. MEMBERSHIP

3.1. Membership of the Association may be granted to any legal or natural person whose activities correspond to the objectives of the Association as set out in clause 2.1 of these Articles, and whose activities do not conflict with the obligations of a member as set out in clause 4 of these Articles. The Association may also admit **associate members**, who do not have voting rights and are not counted towards quorum requirements.

3.2. Admission as a member of the Association is based on a written application, including for associate members. The decision to admit a member shall be taken by the Management Board of the Association and recorded in minutes. The date of admission shall be the date specified in the resolution of the Management Board.

3.3. Membership records shall be maintained by the Management Board. The Association must have at least two members. If the number of members falls below two, the Management Board shall, within three months, submit an application for dissolution and deletion of the Association from the register of non-profit associations and foundations.

3.4. A member of the Association may resign from membership by submitting a written resignation to the Association.

3.5. A member may be expelled from the Association by resolution of the General Meeting of Members and removed from the membership register upon (i) the death of a natural person, or (ii) upon receipt of a notice of termination from a legal person. A member may also be expelled by resolution of the General Meeting in cases of non-compliance with these Articles or causing significant harm to the Association.

3.6. If membership terminates during a financial year, the member shall nevertheless pay the membership fee for the entire financial year. A person whose membership in the Association has ended has no rights to the assets of the Association.

## 4. RIGHTS AND OBLIGATIONS OF MEMBERS

4.1. A member of the Association has the right to:

4.1.1. participate in the General Meetings of the Association, receive prior information on the agenda, make proposals to the meeting, request explanations, and receive responses to questions of interest;

4.1.2. stand for election and be elected to the governing bodies of the Association;

4.1.3. review the minutes of the General Meetings of the Association;

4.1.4. review these Articles, and obtain copies and extracts thereof;

4.1.5. submit proposals to the Management Board on matters affecting the common interests of the Association.

4.2. A member of the Association is obliged to:

4.2.1. comply with the requirements of these Articles;

4.2.2. pay membership fees in the amount and by the deadlines established pursuant to clause 7 of these Articles;

4.2.3. comply with the resolutions of the General Meetings of Members and of the Management Board.

4.3. A member's rights and obligations commence on the date specified in the resolution admitting the member and terminate on the date specified in the resolution on expulsion.

4.4. With the member's consent, the Management Board may impose additional obligations on a member.

4.5. Membership in the Association is neither transferable nor inheritable.

## 5. GOVERNANCE OF THE ASSOCIATION

5.1. The governing bodies of the Association are:

5.1.1. the **General Meeting of Members**, which is the highest governing body of the Association;

5.1.2. the **Management Board**, which is responsible for the day-to-day implementation of the activities of the Association in accordance with these Articles;

5.1.3. the **Supervisory Board**, which is responsible for the strategic guidance of the Association.

5.2. The General Meeting of Members shall be convened at least twice a year. Its competence includes:

5.2.1. amending and supplementing the objectives of the Association and these Articles;

5.2.2. appointing members of the Management Board, determining the number of Management Board members, the procedure for their election, and their removal;

5.2.3. determining the amount and procedure for remuneration payable to Management Board members;

5.2.4. electing members of other bodies provided for in these Articles;

5.2.5. deciding on the conclusion of a transaction with a member of the Management

Board or another body, determining the terms of the transaction, or deciding on bringing a claim against them, and appointing a representative of the Association in such a transaction or claim;

5.2.6. approving the budget of the Association, and deciding on the taking or granting of loans;

5.2.7. hearing and approving the reports of the Management Board, including the annual report;

5.2.8. determining the amount of the membership fee on the proposal of the Management Board;

5.2.9. deciding on the dissolution, merger, division, and/or reorganization of the Association in accordance with these Articles and applicable law;

5.2.10. deciding on the expulsion of a member from the Association;

5.2.11. exercising supervision over the Management Board and other bodies.

5.3. The General Meeting has a quorum if at least half of the members of the Association are represented. Each member has one vote.

5.3.1. A resolution of the General Meeting is adopted if more than half of the members or their representatives present vote in favor.

5.3.2. A resolution to amend the objectives of the Association is adopted if at least nine-tenths (9/10) of the members vote in favor.

5.3.3. A resolution to expel a member from the Association is adopted if more than half of the members or their representatives vote in favor.

5.3.4. A resolution to amend other provisions of these Articles is adopted if at least two-thirds (2/3) of the members or their representatives present at the General Meeting vote in favor.

5.3.5. A resolution on dissolution, merger, division, and/or reorganization of the Association is adopted if at least two-thirds (2/3) of the members present at the General Meeting vote in favor.

5.4. Notice of a General Meeting shall be sent by the Management Board to all members at least fourteen (14) calendar days prior to the meeting. The notice shall be sent to the email address provided by each member. The notice must specify the date, time, place, and agenda of the meeting, as well as any other relevant information.

5.5. In accordance with § 22.1 of the Non-Profit Associations Act, members of the Association may also adopt resolutions without convening a General Meeting. In such cases, the Management Board shall send the draft resolution in a form reproducible in writing to all members, who must submit their position within seven (7) calendar days in a form reproducible in writing. The quorum requirements set out in clause 5.3 shall apply.

5.6. The Management Board shall consist of at least one (1) and not more than three (3) members.

5.7. The Management Board shall:

5.7.1. manage and represent the Association in accordance with the resolutions of the Supervisory Board and the General Meeting;

5.7.2. prepare and conduct meetings of the Supervisory Board and the General Meeting;

5.7.3. maintain the accounting records of the Association in accordance with the law;

5.7.4. prepare the annual report in accordance with the law and submit it to the General Meeting for approval;

5.7.5. propose to the General Meeting the principles for determining membership fees and collect such fees from members;

5.7.6. maintain records of members and members of the Supervisory Board;

5.7.7. enter into contracts necessary for the work of the Association, except for contracts referred to in clauses 5.2.5 and 5.2.6.

5.8. Each member of the Management Board shall have the right to represent the Association individually in all legal acts.

5.9. The General Meeting may elect a Supervisory Board. The Supervisory Board shall convene at least once per quarter. Its competence includes:

5.9.1. providing strategic guidance to the activities of the Association in line with its objectives and the resolutions of the General Meeting, and advising the Management Board accordingly;

5.9.2. electing a Chairperson and Vice-Chairperson of the Supervisory Board.

5.10. Members of the Supervisory Board shall be elected by the General Meeting from among candidates proposed by the members of the Association for a term of two (2) years. The Supervisory Board shall consist of at least five (5) and not more than ten (10) members, who shall elect a Chairperson and Vice-Chairperson from among themselves.

5.11. A member of the Supervisory Board may resign before the expiry of their term of office by notifying the Supervisory Board in a form reproducible in writing at least one month in advance. A Supervisory Board member may also be removed before the end of their term by resolution of the General Meeting.

5.12. Meetings of the Supervisory Board shall be convened by the Chairperson, by sending a notice by email to the members of the Supervisory Board at least seven (7) calendar days in advance.

5.13. The Supervisory Board has a quorum if more than half of its members are present. Each member has one vote. Resolutions of the Supervisory Board are adopted by a simple majority of the members present, unless otherwise provided in these Articles.

5.14. The Supervisory Board may also adopt resolutions without convening a meeting. In such cases, the Chairperson shall send the draft resolution in a form reproducible in writing to all members, who must submit their position within seven (7) calendar days in a form reproducible in writing. The quorum requirement set out in clause 5.13 shall apply.

## **6. ASSETS OF THE ASSOCIATION**

6.1. The assets of the Association shall be derived from:

6.1.1. membership fees;

6.1.2. targeted financial and non-financial contributions and donations;

6.1.3. other income related to the development of activities in accordance with these Articles.

6.2. The Association shall use its assets and income solely for achieving the objectives set out in these Articles.

## **7. MEMBERSHIP FEES**

7.1. The amount of the membership fee payable by members and associate members shall be determined annually by resolution of the General Meeting.

7.2. The General Meeting may, upon a member's justified request, make exceptions to the amount of the membership fee.

7.3. If the General Meeting fails to reach the required majority to change the membership fee for the following financial year, the existing membership fee shall remain in force.

7.4. Membership fees shall be paid once a year by all members on the basis of an invoice issued by the Management Board. A member who is in arrears with the payment of membership fees shall not have voting rights until the arrears have been fully settled. If a member remains in arrears for one year from the date of invoicing, the General Meeting may decide to terminate their membership.

## **8. TERMINATION OF THE ASSOCIATION**

8.1. The Association shall be dissolved:

8.1.1. by resolution of the General Meeting;

8.1.2. by court order;

8.1.3. upon commencement of bankruptcy proceedings against the Association;

8.1.4. on any other grounds provided by law or these Articles.

8.2. Upon dissolution of the Association, after satisfying the claims of creditors, the remaining assets shall be distributed equally among the members by resolution of the General Meeting.

These Articles of Association were adopted by the Deed of Foundation on 5 December 2018, amended by resolution of the General Meeting on 4 July 2019, and further amended by resolution of the General Meeting on 21 April 2023.

This document is a translation from the Estonian language. In the event of any discrepancy or misunderstanding, the original Estonian text shall prevail.