

ARTICLES OF ASSOCIATION of

PASMI Związek Pracodawców „Polski Związek Producentów Leków Bez Recepty” [PASMI Employers' Association Polish Association of Self Medication Industry] (version after changes adopted by the General Meeting of Members on May 8, 2024)

CHAPTER I **General Provisions**

§1

The name of the Association is: PASMI Employers' Association “Polish Association of Self-Medication Industry” the Association shall be hereinafter referred to as the “**Association**”.

§2

The name of the Association is legally reserved.

§3

1. The Association operates in the Republic of Poland and abroad. Subject to the terms provided by law, the Association may be a part of, join or associate with, other entities having similar scope of activities, only provided that such entities are legally authorized to carry out their activities in the Republic of Poland.
2. Under a relevant resolution of the General Meeting of Members and in compliance with international treaties to which the Republic of Poland is a party, the Association may apply for membership in international organizations.

§4

1. The registered office of the Association is located in Warsaw.
2. The Association may create its own emblem, use a logo, a short name of “**Związek Pracodawców PASMI**” [PASMI Employers' Association] and “**PASMI**” abbreviation.

§5

1. The Association is a voluntary, independent and self-governing organization, operating under the Employers' Organizations Act of 23 May 1991 (Polish Dz. U. [Journal of Laws] 55, item 235), hereinafter referred to as the “**Act**”) and these Articles of Association.
2. The Association's duration is unlimited.

§6

The Association may use a rectangular stamp with its name and address.

§7

The Association has legal personality and its activities are based on voluntary work of its members. The Association may hire employees for the purpose of managing its affairs.

CHAPTER II **Objectives and Forms of Operation**

§8

1. The primary objective of the Association is to protect the rights and represent the interests (including economic interests) of associated members vis-à-vis trade unions, government and local authorities.
2. Other objectives of the Association:
 - a) to promote and develop a reasonable use of OTC products in Poland (as specified in § 11(1) hereof) with a view of improving health condition of the Poles;
 - b) to promote the highest standards of registration, manufacturing and distribution of products classified as OTC medicines and to disseminate information about such medicines to the public;
 - c) to promote the highest standards of notifications (applications and/or notifications), production and distribution of other groups of products listed in § 11(1) hereof;
 - d) to develop and set out guidelines governing the conduct of individuals, partnerships/companies or associations engaged in the aforesaid activities;
 - e) to promote regular contacts and exchange of information among individuals, partnerships/companies and associations established in Poland, that are directly or indirectly involved in scientific research, manufacturing, distribution, promotion and advertising of OTC medicines;
 - f) to promote regular contacts and exchange of information among individuals, partnerships/companies, associations, as well as nationwide and local institutions, organizations and associations, the activities of which promote, directly or indirectly, interests of the Association;
 - g) to present, using all possible means, the objectives and achievements of the Association, as well as the results of scientific research in respect of OTC medicines to medical and pharmaceutical professional circles, authorities and the public.
3. The Association shall achieve its objectives in particular through:
 - a) co-operating with state central and local authorities, state institutions and independent professional organizations;
 - b) co-operating with organizations operating in the health and social care industry;
 - c) co-operating with AESGP [Association of the European Self-Medication Industry], as part of the Association's activities on the European level, and through promoting and complying with its Code of Ethics and other rules voluntarily adopted;
 - d) co-operating with members of the Association and with non-member entities that are involved in manufacturing, distribution, promotion and advertising of OTC medicines;
 - e) sharing opinions in all matters related to the pharmaceutical industry, both with the public and relevant institutions, authorities and associations;
 - f) using services of professional advisers and hiring employees for the purpose of furthering its objectives;

- g) establishing funds allowing for the attainment of the objectives listed in § 8.

§9

The Association may carry out business on general terms set out in separate regulations. Operating profit generated by the Association shall be used for the attainment of the objectives set out herein and may not be distributed among the Association's members.

CHAPTER III Members, Their Rights and Obligations

§ 10

The Association's members are classified as:

1. Ordinary members,
2. Honorary members,
3. Supporting members

§11

1. Ordinary membership is open to employers who are marketing authorisation holders, representatives of marketing authorisation holders, distributors, importers or manufacturers of over-the-counter medicines (OTC medicines) in the Republic of Poland, to employers who are manufacturers, authorized representatives, importers or distributors of medical devices, foodstuff, including food supplements, cosmetic products sold in pharmacies, hygiene products, as well as to employers operating on the pharmaceutical services market.

1a Supporting members may be employers who are entities or organisations interested in the functioning of the Association, involved in pro-health activities, manifesting a willingness to cooperate with the Association in the field of their activity other than the activity of ordinary members indicated above, but directly related to the Association's activities and consistent with its statutory objectives.

2. Admission as a member of the Association shall take place on the basis of a written application signed by authorized representatives of the employer applying for membership. Admission of new members shall take place on the basis of a resolution of the Management Board of the Association, upon examination of the application and receipt of written recommendations from two current members.
3. The General Meeting of Members may award honorary membership to employers other than those specified above and to individuals who recognize the Association's objectives set out herein and wish to assist the Association in its activities.

§12

1. Employers who join the Association should warrant that they are able to properly discharge any incurred obligations by means of a set of technical, organizational and financial resources held by them.

2. Members shall carry out their rights and discharge obligations through their permanent representatives or personally.

§13

An ordinary member has the right to:

1. carry out active and passive voting rights to the bodies of the Association through natural persons authorized to represent a member or his employees; in the elections to the bodies of the Association, a natural person representing a member of the Association takes part in elections to the Association's bodies,
2. participate in meetings,
3. settle disputes with other members by the Disciplinary Committee,
4. participate in General Meetings of Members and in all forms of the Association's operations,
5. use the forms of help organised by the Association,
6. participate in all activities and events organised by the Association,
7. submit applications in cases concerning members and activities of the Association,
8. use of the Association's information resources and documents, and use the help of employees of the Association. If additional costs are associated with this, a member may be obliged to return them,
9. use the funds of the Association, acquired for the purpose of their joint use by members,
10. submit opinions and proposals to the Association's bodies,
11. challenge to the General Meeting of Members the resolution of the Association's Management Board regarding the removal from the list of members.

§13a

A supporting member of the Union has the right to:

1. participate in the meetings and working groups of the Association,
2. participate in General Meetings of Members and in all forms of the Association's operations, in an advisory capacity,
3. use the forms of help organised by the Association,
4. participate in all activities and events organised by the Association,
5. use of the Association's information resources and documents, and use the help of the employees of the Association, to the extent in which they relate to their cooperation with the Association,
6. challenge to the General Meeting of Members the resolution of the Association's Management Board regarding the removal from the list of supporting members.

§14

Each member of the Association shall:

1. comply with these Articles of Association, resolutions of the Association's bodies and relevant rules of procedure;
2. actively participate in work and promote the values and program of the Association;
3. regularly and timely pay fees to the Association, as specified in a resolution of the General Meeting of Members;
4. co-operate in fulfilling tasks specified herein;
5. refrain from any activities that are non-compliant with the objectives pursued by the Association.

§15

1. Membership in the Association shall cease if:
 - a) the member resigns from membership in the Association by giving notice (which must be in writing to be valid) to the Management Board no later than 30 November of each year, except that such resignation shall take effect after two months following its submission. If the resignation is submitted after 30 November and before the end of the calendar year, membership in the Association is extended until the end of the year following the year in which the resignation was submitted.
 - b) the member loses capacity to perform acts in law;
 - c) the member is expelled from the Association by the Association's bodies;
 - d) the member is put into liquidation;
 - e) the member dies;
 - f) the Association is put into liquidation.
2. The member shall be expelled if any of the following conditions is met:
 - a) the member fails to perform the obligations hereunder or violates the rules adopted by the Association's bodies and if the member's conduct is unethical or non-compliant with the Association's objectives;
 - b) the member delays with payment of due membership fee for more than six months;
 - c) the member persistently fails to comply with the law, Articles of Association or Code of Ethics;
 - d) honorary membership is invalidated under a resolution of the General Meeting of Members.
3. A resolution to expel the member shall be adopted by the Management Board of the Association.
4. The Management Board resolution to expel the member may be appealed to the General Meeting of Members, through the Management Board, within 30 days after it is received.
5. If the Association's member appeals to the General Meeting of Members against the resolution to expel him or her from the Association, the member may not exercise any rights that the Association's members may have hereunder, other than the right to appeal to the

General Meeting of Members, until the latter hears the appeal and passes a relevant resolution.

6. Upon cessation of membership all rights and obligations of the Association's member, other than the obligation to pay any outstanding membership fees, shall expire.
7. The member whose membership has ceased shall have no claims with respect to the Association's property.

CHAPTER IV

Governing Bodies of the Association and the Disciplinary Committee

§16

1. The governing bodies of the Association are:
 1. General Meeting of Members,
 2. Management Board,
 3. General Council.
2. Advisory bodies may operate within the Association on a permanent or ad hoc basis.
3. The Disciplinary Court operates within the Association..

§17

1. The term of office of the Management Board and the General Council shall be three years and they shall be elected at the General Meeting of Members, in a secret ballot, with simple majority of votes of the Association's members present thereat.
2. Activities of the President and members of the Management Board and the General Council are voluntary in nature and, as such, shall not be remunerated.

§18

1. A member of the Association's bodies may be a natural person who is authorized to represent or is employed by an employer that is a member of the Association, with the exception of supporting members.
2. If the authority to represent is no longer valid or employment with the Association's member is terminated during the term of office, the membership in the Association's governing bodies shall expire and the vacant office in the governing bodies shall be filled in the election procedure.
3. If the member of the Association's governing bodies resigns, is expelled or dies, the vacant office in the governing bodies shall be filled by election.
4. One person may only serve on one governing body of the Association.
5. Only one representative of the Association's member may serve on one governing body.
6. Representatives of one employer which is a member of the Association may not serve on the Management Board and the General Council at the same time.

General Meeting of Members

§ 19

1. The General Meeting of Members is the supreme body of the Association.
2. The General Meeting of Members shall be attended by members acting through their authorized representatives.

§20

1. The General Meeting of Members may be ordinary or extraordinary.
2. An Annual General Meeting of Members may be held for reporting or election purposes or combination of both.
3. The Annual General Meeting of Members for reporting purposes shall be convened each year.
4. The Annual General Meeting of the Members for election purposes shall be convened at least once every three years, as soon as the term of office of members of the governing bodies expires, unless it becomes necessary to fill in a vacant office in the governing bodies at any earlier date.
5. The Annual General Meeting of Members for reporting and election purposes shall be held if members of the governing bodies may be elected at the General Meeting of Members for reporting purposes. In such the case, there is no need to convene another Annual General Meeting of Members for elections purposes.
6. The General Meeting of Members shall proceed in accordance with these Articles of Association.

§21

1. An Extraordinary General Meeting of Members shall be convened by the Management Board:
 1. at its own initiative;
 2. at the request of the General Council;
 3. on a written requisition of at least one-third of ordinary members.
2. The Management Board shall convene the Extraordinary General Meeting of Members within 30 days after receipt of the request or requisition specified in clause 1.
3. The Extraordinary General Meeting of Members shall only discuss such business for which it was convened.
4. The Management Board shall notify members of the place, time and agenda of the General Meeting of Members at least 14 days prior to the scheduled date of the meeting. Such notice may be given via means of direct remote communication.
5. Save as otherwise provided herein, resolutions of the General Meeting of Members shall be adopted in open voting, with simple majority of votes, in the presence of at least one-half of the total number of ordinary members. Resolutions of the General Meeting of Members may also be adopted via means of direct remote communication. Such resolutions shall be valid if

all ordinary members of the Association have been duly notified of the content of the draft resolutions.

6. The minutes and resolutions of the General Meeting of Members shall be signed by the Chairperson and the Secretary of the General Meeting of Members.

§22

The General Meeting of Members shall in particular have the power and authority:

1. to adopt the Articles of Associations and any amendments thereto;
2. to determine directions and long-term activity programs of the Association;
3. to adopt and revise the Code of Ethics, to pass resolutions on the dissolution of the Association and the allocation of its assets;
4. to appoint and remove members of the Association's governing bodies;
5. to consider and approve reports of the Association's governing bodies;
6. to consider and approve financial statements of the Association;
7. to grant discharge to members of the Association's governing bodies;
8. to pass resolutions on any business to be transacted by the General Meeting of Members;
9. to set the amount of membership fees for ordinary members;
10. to pass any other resolutions not provided for herein or reserved to the discretion of the other bodies of the Association.

Management Board

§23

1. The Management Board manage all the operations of the Association in accordance with the resolutions of the General Meeting of Members, represent the Association vis-à-vis third parties and shall be accountable to the General Meeting of Members.
2. The Management Board shall be composed of one or more members save that the maximum number of members of the Management Board may not exceed three. Where the Management Board is composed of three members, such members shall include the President and two members of the Management Board. Where the Management Board is composed of two members, such members shall include the President and one member of the Management Board. Where the Management Board is composed of a single member, such member shall be the President of the Management Board.

§24

The Management Board shall have the power and authority:

- a) to give effect to resolutions of the General Meeting of Members;
- b) to determine the budget of the Association;
- c) to adopt and revise the Rules of Procedure of the Management Board;

- d) to control property and manage the assets of the Association;
- e) to submit reports to the General Meeting of Members;
- f) to convene General Meetings of Members;
- g) to adopt resolutions to admit, suspend or expel members of the Association;
- h) to appoint advisory bodies of the Association and to adopt and revise their rules of procedure;
- i) to adopt resolutions authorizing payment of fees in instalments;
- j) to adopt resolutions on determining the amount of fees paid by supporting members,
- k) to arrange for administrative assistance to be provided to the Disciplinary Committee and adopt its Rules of Procedure.

§25

1. The Management Board shall be appointed for a three-year term of office by the General Meeting of Members in a secret ballot, with simple majority of votes of ordinary members present, save that the Management Board of the first term of office may be appointed by the Founders' Meeting.
2. The President of the Management Board shall be elected from among the Management Board members elected in the manner specified in clause 1, by the General Meeting of Members, in a secret ballot with simple majority of votes.

§26

1. Where the Management Board is composed of a single member, the authority to bind the Association shall be vested in the President of the Management Board.
2. Where the Management Board is composed of two members, the authority to bind the Association shall be vested in the President of the Management Board or the member of the Management Board acting alone.
3. Where the Management Board is composed of three members, the authority to bind the Association shall be vested in the President of the Management Board or two members of the Management Board acting jointly. However, the authority to incur a liability in the amount not exceeding PLN 20,000 (twenty thousand Zlotys) shall be vested in each member of the Management Board acting alone.
4. In the situation mentioned above in clause 2 and 3, to incur liabilities exceeding the amount of PLN 20,000 (twenty thousand Zlotys) consent and signatures of two members of the Management Board are required.

§27

1. The Management Board shall meet as necessary, but at least once a quarter.
2. Where the Management Board is composed of more than one member, resolutions of the Management Board of the Association shall be passed in open voting, with simple majority of votes, in the presence of at least two members of the Management Board or the President of the Management Board and one member of the Management Board (quorum).

3. In the event of a deadlock, the President of the Management Board shall have the casting vote.
4. The President of the Management Board shall decide on the agenda and organize the work of the Management Board.

General Council

§ 28

The General Council is an advisory and assessment body of the Association appointed in order to allow the Management Board to seek consultation on the activities of the Association.

§29

1. The General Council shall have the authority and power:
 1. to exercise control over all activities of the Association in terms of undertaken actions and the execution of statutory objectives;
 2. to provide consultation concerning the activities of the Association;
 3. to submit reports to the General Meeting of Members;
 4. to provide the Management Board with its comments, conclusions and post-control recommendations.
2. The General Council operates on the basis of internal regulations adopted by itself, which may not be contrary to the regulations of other bodies of the Association and the strategy of the Association.

§30

1. The General Council shall be composed of three to five members appointed for a three-year term of office by the General Meeting of Members in a secret ballot, with simple majority of votes of ordinary members present. The first term of office of the added members of the General Council shall expire at the time of expiry of the terms of the General Council members already in office as at 21.09.2017.
2. The Chairperson of the General Council shall be elected from among its members elected in the manner specified in clause 1, by the General Meeting of Members, in a secret ballot with simple majority of votes.
3. The General Council is composed of the Chairperson and two to four members of the General Council.
4. The Chairperson and members of the General Council may attend Management Board meetings as advisers.

§31

1. Resolutions of the General Council shall be adopted in open voting, with simple majority of votes, in the presence of at least three members of the General Council or the Chairperson and two members of the General Council (quorum).
2. In the event of a deadlock, the Chairperson of the General Council shall have the casting vote.

3. The Chairperson of the General Council shall decide on the agenda and organize the work of the General Council.

Permanent or Special Groups

§ 32

1. The Association may have Permanent Groups whose purpose is to discuss current legal and practical issues in the fields of registration or notification and classification of products referred to in §11 section 1 of the Articles of Association.
2. The Association may have Special Groups established periodically to perform specific tasks.

Disciplinary Court

§33

The Disciplinary Committee operating within the Association shall be responsible for ensuring expedient resolution of disputes between ordinary members of the Association and compliance with the highest possible ethical standards by members of the Association, in particular compliance with the law and the principles set out in the Code of Ethics.

CHAPTER V

Assets and Funds of the Association

§34

The Association's assets are derived from membership fees, donations, estates, legacies, the Association's own operations and proceeds from the Association's property. The Association's property comprises immovable property, movable property and funds.

§35

The Association shall manage its funds and keep its accounts in accordance with the applicable law.

§36

The authority to acquire, dispose of and encumber the movable and immovable property and to deal with funds of the Association shall be vested in the Management Board.

Amount of Fee

§37

1. The amount of membership fees shall be determined by resolution of the General Meeting of Members, with the exception of a fee paid by supporting members, the amount of which is determined by way of a resolution of the Association's Management Board, the amount of the supporting member's fee depends on the type and scope of cooperation of the supporting member with the Association.
2. The amount of a membership fee for ordinary members shall be determined taking into account the turnover of the Association's member in respect of the products or services referred to in §11(1) hereof, based on the declaration of the Association's member.
3. Turnover declared by ordinary members shall be verified by the Management Board of the Association.

4. The General Meeting of Members may change the amount of fees and further oblige members of the Association to pay an additional fee. A resolution of the General Meeting of Members adopted by a two-third majority of votes in the presence of at least two-thirds of members is required to change the membership fee or to oblige the Association's members to pay an additional fee.
5. The time limit and terms of payment of the additional fee shall be specified in a resolution of the General Meeting of Members.
6. Honorary members are not obliged to pay membership fees.

Terms of Payment of Fees

§38

1. The fees shall be payable for the entire calendar year in advance, no later than at the end of February of the relevant calendar year.
2. In respect of new members, the first fee shall be payable within 30 days of the application for membership in the Association being approved.
3. The amount of fee in the first year of membership shall be reduced on a pro rata basis to the period preceding the approval of the application for membership in the Association.
4. So long as any membership fee remains outstanding, the rights and privileges of members, including the right to vote and hold offices, membership in the bodies and committees as well as the right to attend meetings, shall be suspended by resolution of the Management Board for so long as the membership fee remains outstanding. The rights and privileges shall be restored by resolution of the Management Board provided that the outstanding fee is paid within six months from its due date. After the expiry of the above mentioned period, the rights and privileges may only be restored by filing a new application for membership, in accordance with §11(2) hereof, unless the General Meeting of Members allows the appeal of the Association's member, referred to in §15(4) hereof.
5. Any member of the Association may, no later than 30 October of each year, submit a written request to the Management Board to the effect that the fee due for the following calendar year be authorized for payment in two equal or unequal instalments, by 28 February and 30 June of the calendar year for which the fee is due. The Management Board may refuse to grant the request to authorize payment of the fee in instalments if:
 - a) the member, by his or her conduct, does not warrant timely and correct payment of fees, and in particular if the member has any arrears in payment of fees;
 - b) the economic situation of the Association does not make it possible to authorize payment of fees in instalments.
6. In the event of resignation from membership in the Association within the period referred to in § 15 section 1 item 1 of the Articles of Association, the paid membership fee is non-refundable.

CHAPTER VI

Amendment to the Articles of Association and Dissolution of the Association

§ 39

Resolutions on amendments to the Articles of Association or liquidation of the Association are adopted by the General Meeting of Members with simple majority of votes in the presence of ordinary members' representatives accounting for at least one-third of the total number of votes. In such case, §20 to 22 hereof shall apply mutatis mutandis.

§40

1. If the General Meeting of Members adopts a resolution on the dissolution of the Association, the liquidation of the Association shall be carried out by its Management Board in accordance with the guidelines adopted by the General Meeting of Members.
2. If the Association is dissolved, the General Meeting of Members shall decide on the distribution of assets of the Association so dissolved, as specified in the relevant resolution.
3. These Articles of Association were adopted at the General Meeting of Members held on 28 February 2018 in Warsaw.
4. These Articles of Association repeal in its entirety and supersede the Articles of Association in the applicable version as of 21 September 2017.