CENTRAL EUROPEAN SERVICE FOR CROSS-BORDER INITIATIVES

RULES OF PROCEDURE OF THE SUPERVISORY BOARD
(26 November 2020)

The new members of the Supervisory Board **elected on 14 September 2020** by the General Assembly of the Central European Service for Cross-Border Initiatives (hereinafter: CESCI) approve the following rules of procedure based on point 6.5 of the Fundamental rule IV:

1.§
The objective and content of the Rules of procedure

(1) The aim of the rules of procedure of the Supervisory Board is to ensure the monitoring procedure of the implementation of and compliance with the association bodies, the legislation, the Fundamental rule and the decisions of associations.
(2) The rules of procedure of the Supervisory Board shall include provisions supplementing the regulations mentioned in paragraph 1.

2.§
Tasks and working arrangements

(1) The Supervisory Board performs its duties as a body, through its chairman or an appointed member.
(2) The primary tasks of the chairman of the Supervisory Board:

a) internal tasks:
- coordinates, organises and controls the work of the Supervisory Board,
- convenes and leads the sessions of the Supervisory Board, ensures the proper keeping and authentication of the protocols of the sessions, decides on the invitees and the number of invitees,
- orders the voting at the sessions of the Supervisory Board and determines the result of the voting.

b) internal tasks:
- represents the Supervisory Board with the right to present proposals, consult and advise before the General Assembly of CESCI and its other bodies and office holders, thus presenting in particular the opinion of the Board regarding the documents of the General Assembly proposed to the Supervisory Board at the General Assembly;
- keeps other formal relationships with the chairman and secretary-general of CESCI;
- ensures that a written report on the work and findings of the Supervisory Board is sent to the Chairman of the General Assembly.

(3) The Chairman and the members may perform their duties according to the work plan based the division of labour approved at the initial session of the Supervisory Board.

(4) Members may take office on the supervisory boards of up to three associations at the same time. The Chairman of the Supervisory Board shall be informed of the existence of their position on the Supervisory Board of another organization within fifteen days from the date of approval of their membership of the Supervisory Board of CESCI.

3.§
Preparing an open session

(1) The invitation to the session is sent primarily by the Chairman of the Supervisory Board or, in case of impediment, by the oldest of the other two members (interim chairman), or if the chairman is unable to attend due to impediment, the session is led by the interim chairman.
(2) If any member of the Supervisory Board initiates a meeting in writing with the Chairman of the Supervisory Board stating the reason and purpose, the Chairman of the Supervisory Board must arrange for the Supervisory Board to be convened within thirty days of receiving the initiative. In case of a failed convocation and a continued existence of the reason and purpose, the initiating member shall be entitled to convene the meeting.
(3) If it is not possible to convene the annual meeting of the Supervisory Board for any reason, the Chairman of the General Assembly shall consult with the Chairman of the Supervisory Board and convene the General Assembly as necessary.
(4)The Chairman of the Supervisory Board shall invite the Chairman and the Secretary-General of CESCI, besides the members, to attend the regular session. Where justified by the items on the agenda, more people can be invited in an advisory capacity.
(5) The sending of the invitation can be verified by a suitable postal document or by an e-mail containing the date of sending the invitation.
(6) The invitation must include:
- the location and time of the session;
- the proposed items on the agenda;
- proposals.
(7) In justified cases, written proposals related to the items on the agenda may be sent to members until the day before the session, and in duly justified cases - except for the material of the annual report - the proposals may be presented orally at the session.
(8) If the convening of the meeting was not initiated by the Chairman of the Supervisory Board or other members, the person entitled to initiate the meeting or their representative shall be invited to the meeting with the right of consultation.

4.§
Closed session

(1) The Supervisory Board may, referring to the interests and individual rights of CESCI, order a closed session or a closed discussion of agenda items with a simple majority vote.
(2) Only the members of the Supervisory Board can participate in the closed session.

5.§
The online session of the Supervisory Board

(1) If members of the Supervisory Board cannot be present in person at the next meeting due to objective obstacles, the Supervisory Board may hold an online meeting.

(2) In case of an online session, the proposals are sent electronically by the Chairman of the Supervisory Board to the other members of the Supervisory Board and to the invitees.
(3) The members of the Supervisory Board and the invitees may submit comments and questions to the proposals - electronically, within 3 working days of their receipt -, which will be answered by the Chairman and/or the proposer at the session at the latest. Amendments adopted before the session shall be sent by the Chairman of the Supervisory Board to the members and invitees without as soon as possible.
(4) After the proposal has been discussed, the proposals for decision will be voted on electronically.
(5) A protocol must be prepared of the meeting, signed by the chairman. The printed material of the significant exchange of e-mails shall be considered as an annex to the protocol.

6.§
Protocol

(1) Protocol of the sessions of the Supervisory Board shall be made and signed by the Chairman of the Supervisory Board, the verifier of the protocol appointed from among the members present and - if elected - the recorder. An external (non-SC member) recorder may only be elected from among the members of the CESCI Working organisation present at a given SC session (except for a closed session).
(2) The protocol must include:
- the time and location of the session,
- items on the agenda,
- the attendance list,
- the essence of the opinions, proposals and motions from the session,
- the adopted decisions and their numbering,
- voting result,
- the potential dissenting opinions.
(3) Decisions are numbered from one in a given year and continue to be numbered continuously until the end of the year, indicating the date and the term “decision of the supervisory board”.
(4) The protocols of the sessions of the Supervisory Board must be kept at the headquarters of CESCI.
(5) The CESCI Working organisation shall be involved in ensuring the conditions for the operation of the Supervisory Board, in the preparation of the sessions and in the preparation of the decisions taken.

7.§
The rules of procedure approved by the General Assembly

(1) The Supervisory Board shall propose its approved rules of procedure to the General Assembly following the initial session, which shall be approved by the General Assembly

retroactively to the date of the initial session of the Supervisory Board, or the General Assembly shall propose amendment.
(2) The proposed amendment of the General Assembly shall not infringe the independence of monitoring of the Supervisory Board.
(3) If the General Assembly requests amendments to the rules of procedure with specific proposals, the Supervisory Board shall renegotiate the rules of procedure and adopt them with the necessary amendments within 30 days of the General Assembly, unless the proposed amendments clearly violate the legislation or the rights and legitimate interests of others.
(4) If the amendments approved by the Supervisory Board substantially coincide with the amendments proposed by the General Assembly, the amended rules of procedure shall be considered approved retroactively to the date of the initial session of the Supervisory Board.
(5) The number of the general assembly decision approving the amendment must be indicated in the clause of the rules of procedure.

8.§
Resignation

(1) If the term of office of any member of the Supervisory Board expires before its expiry date, a new member shall be elected at the next session of the General Assembly for the remainder of the term of office. If the membership of the person holding the position of the chairman is terminated, the members of the Supervisory Board shall elect a new chairman from among themselves within 30 days after the election of the new member.
(2) The members of the Supervisory Board may be removed from office at any time by the General Assembly or re-elected after the expiry of their term of office.

9.§
Damage, business secret

(1) The members of the Supervisory Board has unlimited and joint and several liability for damages caused by not fulfilling their control obligations.
(2) The members of the Supervisory Board are obliged to keep business secrets that come to their attention during their monitoring activities - excluding their legal reporting obligations - and may disclose them to third parties only on the basis of a legal authorisation or with the prior consent of the General Assembly.

Budapest, 26 November 2020

.....
chairman of the Supervisory Board

Clause:

The present Rules of Procedure of the Supervisory Board were approved by the General Assembly of 31 May 2021 by Resolution No. …… / 2021 (V. 31.), with retroactive effect.

……
Chairman of the general assembly