

## **THE AUTOMOTIVE AND MACHINERY UPLAND CLUSTER ORGANISATION PARTNERSHIP AGREEMENT**

hereinafter referred to as “Agreement”, signed in Lublin on 21 February 2018 between:

**Miejskie Przedsiębiorstwo Komunikacyjne Sp. z o.o. [Sp. z o.o. - Limited Liability Company]** with its seat in Lublin, ul. A. Grygowej 56, 20-260 Lublin, represented by Tomasz Fulara – President of the Management Board, Bogdan Kołciuka – Vice-President of the Management Board,

**Lubelski Park Naukowo-Technologiczny S.A. [S.A. – Joint Stock Company]** with its seat in Lublin, ul. B. Dobrzańskiego 3, 20-262 Lublin, represented by Tomasz Małecki – President of the Management Board,

**Targi Lublin S.A.** with its seat in Lublin, ul. Dworcowa 11, 20-406 Lublin, represented by Joanna Pawłowska – legal representative,

**ABM Greiffenberger Polska Sp. z o.o.** with its seat in Lublin, ul. E. Plewińskiego 18, 20-277 Lublin, represented by Robert Bronisz – Vice-President of the Management Board,

**AIU + Sp. z o.o.** with its seat in Lublin, ul. Frezerów 3, 20-209 Lublin, represented by Bartłomiej Bańkowski – President of the Management Board,

**Fabryka Łożysk Tocznych – Kraśnik S.A.** with its seat in Kraśnik, ul. Fabryczna 6, 23-210 Kraśnik, represented by Grzegorz Jasiński – legal representative,

**Odlewnia Żeliwa Lublin Sp. z o.o.** with its seat in Lublin, ul. Frezerów 13, 20-209 Lublin, represented by Zbigniew Prożogo – President of the Management Board,

**R&D Centre INVENTOR Sp. z o.o.,** with its seat in Lublin, ul. Ciepłownicza 4, 20-469 Lublin, represented by Andrzej Kępa – legal representative,

**Roztocze Zakład Usługowo-Produkcyjny Roman Rak** with its seat in Tomaszów Lubelski, ul. Roztocze 18, 22-600 Tomaszów Lubelski, represented by Roman Rak – owner,

**SIPMA S.A.** with its seat in Lublin, ul. Budowlana 26, 20-469 Lublin, represented by Andrzej Kępa – legal representative,

**URSUS S.A.** with its seat in Lublin, ul. Frezerów 7, 20-209 Lublin, represented by Jan Wielgus – legal representative,

**URSUS BUS S.A.** with its seat in Lublin, ul. Frezerów 7 A, 20-209 Lublin, represented by Wojciech Pyzio – legal representative,

**WEREMCZUK FMR Sp. z o.o.** with its seat in Niedzwica Duża, ul. Bełżycka 73, 24-220, Niedzwica Duża, represented by Robert Weremczuk – President of the Management Board,

**WIKPOL Sp. z o.o.** with its seat in Motycz, Konopnica 208 B, 21-030 Motycz, represented by Zbigniew Kominek – President of the Management Board, Zbigniew Warchocki – President of the Management Board,

**Politechnika Lubelska [Lublin University of Technology]** with its seat in Lublin, ul. Nadbystrzycka 38 D, 20-618 Lublin, represented by Jacek Hunicz – legal representative,

**Uniwersytet Przyrodniczy [University of Life Sciences]** with its seat in Lublin, ul. Akademicka 13, 20-950 Lublin, represented by Andrzej Marczuk – legal representative,

**Wyższa Szkoła Ekonomii i Innowacji [University of Economics and Innovation]** with its seat in Lublin, ul. Projektowa 4, 20-209 Lublin, represented by Teresa Bogacka – Chancellor,

**Fundacja Lubelska Wyżyna Motoryzacyjna i Maszynowa [Lublin Automotive and Machinery Upland Foundation]** with its seat in Lublin, 20-262 Lublin, ul. B. Dobrzańskiego 3, represented by Mariusz Sagan – President of the Management Board, Zbigniew Patera – Member of the Management Board

hereinafter referred to as “Signatories”

## **Preamble**

Taking into consideration:

- the importance of the automotive and machinery sector for the economy of the city of Lublin, as well as the long experience and the recognised position of the automotive companies from Lublin,
- the need of linking the economic development with the knowledge development,
- the need of synergistic use of potential of the companies, universities, research and development entities, schools, business-related institutions, local government units and other entities, whose scope of activities is related to the automotive or machinery industry,
- the stimulation of the development of the automotive and machinery sector in Lublin,

The Parties have acknowledged the need to define the legal, institutional and organisational framework of a constant cooperation and decided on establishment of the Automotive and Machinery Upland Cluster Organisation (hereinafter referred to as “Cluster”). The intention of the Signatories is to form an interregional Cluster which shall join entities of the automotive, machinery and related sectors, conducting both business and scientific activities in various parts of the country.

## **§ 1**

### **General Provisions**

1. The Signatories agree that they shall establish the Automotive and Machinery Upland Cluster Organisation as an area of cooperation between the Signatories and the future participants of the Cluster.
2. The mission of the Cluster shall be strengthening the existing cooperative relationships, as well as creating favourable conditions for the development of automotive and machinery industry, including the area of its economic, scientific, and social impact.
3. The objectives of the Cluster shall be in particular:
  - a) establishment a working network and lasting horizontal relations between the Participants of the Cluster in order to make effective use of the existing possibilities of development for automotive and machinery sector by sharing knowledge and experience, developing regional cooperative relations,
  - b) integration of the companies active in automotive and machinery sector with the R&D environment,
  - c) stimulation of the development of the new technologies, development of R&D facilities for automotive and machinery sector, as well as support of implementing the new technical and technological solutions into the manufacturing process,
  - d) strengthening the competitiveness of the Participants of the Cluster, as well as supporting their operations on international markets,
  - e) educational activities and development of educational and training facilities in training of a high-skilled personnel for automotive and machinery sector through supporting pro-innovative lines and manners of education,
  - f) implementation of regional, national or international projects for developing and increasing innovativeness of the entities active in automotive and machinery sector, as well as their service providers,
4. The objectives of the Cluster shall be pursued by the Members of the Cluster in particular through:
  - a) initiation and implementation of joint scientific, economic and infrastructure-related development projects,
  - b) identification of innovative solutions to ensure efficient use of resources,
  - c) conduction and implementation of the research,

- d) sharing information, knowledge and experience between the Participants of the Cluster
  - e) promotion of the Cluster and its Participants in the country and beyond its borders.
  - f) raising national and EU funds for implementing R&D, scientific and investment undertakings,
  - g) cooperation with other national or foreign institutions, organisations or associations whose objectives and scope of activities present strong similarities to those of the Cluster,
  - h) cooperation with the government and the local government administration organs in the context of strategic development of the economic policy, and getting support for the actions taken by the Participants of the Cluster.
5. Entities who signed this Agreement, shall be referred to as “Founders of the Cluster”.
  6. Founders of the Cluster and entities, who joined the cluster after the date of conclusion of this Agreement, shall be jointly referred to as “Participants of the Cluster”
  7. Each of the Participants shall be obliged to care for the image of the Cluster and protect its interests. They also shall be particularly obliged to refrain from actions violating the reputation of the Cluster.

## **§ 2**

### **The Organisation of The Cluster**

1. The Cluster shall function as a stand-alone, joint undertaking of its Participants.
2. The Cluster shall act on the basis of its own By-Laws (attached as Appendix No. 1 to this Agreement), as well as plans and programmes adopted by the Cluster’s Council based on the Development Strategy of the Cluster.

## **§ 3**

### **Participation in the Cluster**

1. The Cluster shall be open which means that new Participants may join.
2. The participants of the Cluster may be:
  - a) companies,
  - b) universities
  - c) scientific research units
  - d) schools
  - e) institutions of business environment
  - f) other entities whose scope of activities is related to the automotive or machinery sector
 providing they comply with the provisions referred to in both the Agreement and the Cluster’s By-laws.
3. The condition for the participation in the Cluster shall be:
  - a) submission of the Participant Declaration in writing to the President of the Management Board (attached as Appendix No. 2 to this Agreement)
  - b) interview of the applicant including a questionnaire, a model of which is set out in the Clusters By-Laws.
  - c) approval of the new entity by the Management Board after presentation of the profile of the applicant and evaluations of the results of the questionnaire and interview in terms of adopted the Strategy of Development.
4. Each of the Participants shall be entitled to terminate this Agreement in writing at any time, with one month notice, with the effect at the end of the calendar month.
5. The termination of this Agreement by one or more Participants shall not have effect of termination, dismissal or expiration of the agreements concluded by this entity or this entities as a part and in relation to the activity of the Cluster.

6. The termination of this Agreement by one or more Participants shall not have effect of the termination of this Agreement by the other Participants.
7. The Participant may be excluded from the Cluster provided that it grossly violates the provisions of this Agreement, in particular the provisions of the Code of Ethics (cf. § 10) as well as the provisions of the By-Laws or acts to the detriment of the Cluster.

#### **§ 4**

##### **The Coordinator of the Cluster**

1. The Cluster's coordinator is „Lubelska Wyżyna Motoryzacyjna i Maszynowa” Foundation with its seat in Lublin.
2. The Coordinator shall act for and on behalf of the Cluster, within the scope stipulated by this Agreement, Cluster By-Laws, as well as the resolutions of the Council and Management Board, as its organs.
3. The Coordinator shall carry out his duties through provision of integration, advisory, training and auxiliary services to the Participants of the Cluster in all areas identified in the separate resolutions of the Cluster organs. The Coordinator shall analyse the offers of third parties, as well as support negotiations on agreements and contracts with external partners.
4. The Cluster's Coordinator shall keep a bank account with cash derived from Members'/Membership contributions paid by the Participants of the Cluster.

#### **§ 5**

##### **Organs of the Cluster**

1. Organs of the Cluster are: the General Meeting, The Council of the Cluster, the Management Board of the Cluster
2. The Council of the Cluster and the Management Board of the Cluster represent the Cluster's business in relation to third parties and shall not be empowered to acquire rights and incur property liabilities, except within the framework of the power of attorney granted by the General Meeting.

#### **§ 6**

##### **The General Meeting**

1. Each of the Clusters Participants shall be entitled to identify one person to the General Meeting.
2. Member of the General Meeting may be a person empowered to represent the entity being a Cluster's participant in accordance with the registration in business activities, statutes, National Court Register [KRS] or other registration documents, or indicated by a person who is representing the entity on basis of a written consent.
3. The general meetings shall be convened by the Cluster's Council at least once a year.
4. The Cluster's Council shall inform the members of the General Meeting about the meeting at least two weeks in advance.
5. The meetings may also be convened on a written request of at least one third of the members of the General Meeting, submitted at least four weeks before the proposed date of the meeting.
6. The General Meeting shall take decisions in form of resolutions, opinions or positions in the presence of at least half of the actual number of members, by simple majority, in open ballot.
7. Objectives of the General Meeting shall be in particular:
  - a) setting the courses of action of the Cluster and the implementing modalities of the objectives
  - b) appointment and recourse of the members of the Programme Board
  - c) accepting of the Cluster Council's resolutions concerning the exclusion of a particular entity from participation in the Cluster.

8. Operating modes of the General Meeting shall be set in the Cluster's By-Laws.

## § 7

### Cluster's Council

1. The Cluster's Council shall comprise a maximum of 30 members, among which maximum 18 of Founding Members representatives, and maximum 12 representatives of other Cluster's Participants.
2. Member of the Cluster's Council may be a person empowered to represent the entity being a Cluster's Participant in accordance with the registration in business activities, statutes, National Court Register [KRS] or other registration documents, or indicated by a person who is representing the entity on basis of a written consent, whereby none of the entities may have more than one representative in the Cluster's Council.
3. Member of the Cluster's Council may not be a person convicted by final judgement for intentional crimes which are subject to public prosecution, or fiscal offences.
4. Members of the Cluster's Council may not simultaneously be members of the Management Board of the Cluster. They may also not be married with a member of the Management Board, cohabited, related, in affinity with them. They may also not be in reporting lines because of the employment in the Cluster.
5. Each Founding Member is entitled to identify one person to the Cluster's Council.
6. Members of the Cluster's Council who are not representatives of the Founding Members shall be appointed and dismissed from among remaining Clusters Participants in the following groups:
  - a) in the group of micro-enterprises and small enterprises (employing up to 49 people),
  - b) in the group of medium-sized enterprises (employing between 50 and 249 people),
  - c) in the group of large enterprises (employing over 250 people),
  - d) in the group of scientific research entities,
  - e) in the group of remaining Participants.
7. The selection of members of the Cluster's Council who are not representatives of the Founding Members shall be conducted by block voting in accordance with the following rules:
  - a) each entity who is member of the Cluster shall be entitled to one vote,
  - b) the voting shall be taken in five groups referred to in §7 sec. 6,
  - c) the voting shall be conducted with the participation of at least half of the Clusters Participants representing a particular group for the day of voting,
  - d) in the indicated groups members of the Clusters Council shall selected in the following proportion:
    - i. in the group of micro-enterprises and small enterprises – maximum 2 Council members
    - ii. in the group of medium-sized enterprises – maximum 3 Council members
    - iii. in the group of large enterprises – maximum 5 Council members
    - iv. in the group of scientific research entities – maximum 1 Council member
    - v. in the group of remaining Participants – maximum 1 Council member
8. Dismissal of the appointed person acting as a member of the Clusters Council shall be conducted by taking a vote within a group which conducted the appointment of a particular person, upon written request of at least half of the members of a particular group.
9. Each of the Cluster's Participants may be represented in the Cluster's Council by maximum one person.
10. The term of office of the Cluster's Council member lasts 5 years. This does not exclude the possibility to be appointed for the second term of office.

11. The Cluster's Council shall appoint a President from among its members. The President shall direct the Clusters Council.
12. The Cluster's Council shall hold a meeting not less than twice a year. The meetings shall be convened by the President of the Cluster's Council.
13. The Clusters Council shall take its decisions in form of resolutions, opinions and positions in the presence of at least half of the actual number of the members, by simple majority, in open ballot.
14. Each of the Cluster's Council members shall have one vote. In case of tie, the vote of the President shall prevail.
15. The responsibilities of the Cluster's Council shall in particular include:
  - a) development of the Cluster's operational strategy as well as adoption of plans and programmes,
  - b) making decision whether and what amount of remuneration for performance of duties the members of the Management Board shall be given,
  - c) setting the amount of the members contributions for participating in the Cluster,
  - d) current supervising of the Cluster's Management Boards actions,
  - e) taking positions in other cases presented by the Cluster's Management Board,
  - f) changes to the By-Laws of the Cluster,
  - g) adoption of the work regulations of the Cluster's Management Board and the Cluster's Council,
  - h) making decisions about the exclusion of entity from the Cluster.
16. The operational mode of the Cluster's Council shall be specified by the By-Laws of the Cluster.

## **§ 8**

### **The Management Board of the Cluster**

1. The Management Board of the Cluster shall represent the Cluster before third parties and manage its affairs for which it has responsibility.
2. The Management Board of the Cluster shall be comprised of three to five members appointed by the Foundation' Council which is the Coordinator of the Cluster. The Management Board shall be appointed among these of Foundation's Council members who at the same time represent the Founding Members of the Cluster, for the period of joint term of office.
3. The term of office of the Cluster's Management Board shall be 5 years and expire on the day of the approval of the report on the Cluster's activities for their last year in office.
4. President of the Management Board is each time the Chairman of the Foundations Council being the Coordinator of the Cluster, provided that he represents an entity who is at the same time a Founding Member of the Cluster. Otherwise a person meeting these requirements shall be elected from among the members of the Foundation's Council, even if the person does not act as a President of the Council.
5. The Management Board of the Cluster shall take decisions in form of resolutions, opinions, positions in the presence of at least half of the actual number of members, by simple majority, in open ballot.
6. Each member of the Management Board of the Cluster shall have one vote. In case of a tie, the vote of the President shall prevail.
7. Management Board meetings shall be convened by the President of the Management Board, and shall take place when necessary.
8. Minutes shall be taken from each meeting. The minutes shall be signed by all Members of the Management Board present at the meeting. The minutes shall be stored in the Cluster's office.
9. The Management Board shall cooperate with the Cluster's Coordinator and the President of the Clusters Council on an ongoing basis. It also shall report on the activities to the Cluster's Council.

10. Each of the Member of the Management Board shall be entitled and obliged to conduct the Cluster's affairs.
11. The Management Board may represent the Cluster before third parties within the scope set by separate resolutions of the Cluster's Council, although a joint representation comprised of two Members of the Management Board is required.
12. Competences of the Cluster's Management Board shall be in particular:
  - a) implementation of ongoing tasks set in the programming documents and action plans of the Cluster,
  - b) preparation of new initiatives and project offers in the areas set in the programming documents and action plans of the Cluster,
  - c) preparation of the Clusters action plan and suggestions concerning main lines of action with potential changes in the Cluster's development strategy,
  - d) producing and submitting of an annual activity report to the Cluster's Council,
  - e) representation of the Cluster's interests,
  - f) taking decisions regarding the appointment of a new Member of the Cluster.
13. Affairs unreserved for the sole competence of other organs of the Cluster shall remain a competence of the Management Board.
14. Members of the Cluster shall be obliged to:
  - a) act in accordance with the Cluster's best interest, showing care for the Cluster's good image, following binding law provisions and complying with the content of the Council's resolutions,
  - b) act in the spirit of fairness and collegiality with a view to balance individual interests of the Cluster's Members with goals and mission of the Cluster as a whole.
  - c) be concerned about a cooperative atmosphere by preventing potential conflicts and reducing possible tensions.
15. Breach of the foregoing principles may give rise to dismissal from the function.
16. The modalities shall be set out by the By-Laws of the Cluster.

## **§ 9**

### **The Programme Board**

1. The Programme Board shall be an optional Cluster's advisory and consultative board in the scope of its scientific and research activities and other affairs indicated by the Organs of the Cluster.
2. Members of the Programme Board shall be appointed by the General Meeting taking into account their scientific achievements and professional experience in the fields they represent.
3. It is the task of the Programme Board to consult the issues that are material for the development of the Cluster about which the Council or Management Board had queries..
4. The modalities of the Board shall be determined in the By-Laws of the Cluster.

## **§ 10**

### **The Code of Ethics**

1. The Participants of the Cluster who take part in its activities shall treat as confidential all trade, financial and economic information, know-how, results of research and development works including the manner in which they were carried out, as well as any other documents which became known and accessible to them as a result of the cooperation within the Cluster.
2. The trade, financial and economic information, know-how, results of research and development works including the manner in which they were carried out, as well as any other documents which became known and accessible to the Participants of the Cluster as a result of the

cooperation within the Cluster may be disclosed or used only with the consent of the Participant who shared it.

3. The Participants who take part in the implementation of the given project may be entitled to acquire intellectual property rights, as well as property rights to the results of the project work. The terms of acquisition of the rights to the results of the project work, management of these rights and benefiting from these rights will be regulated in each case by separate agreements or memorandums concluded between the Participants who implement a given project.

## **§ 11**

### **Finance**

1. This Agreement shall not establish any hierarchical link between the Participants of the Cluster. In case of the possible conflicts of interest between the Participants within the scope of their activities, the Participants shall implement their commitments and exercise their powers autonomously, independently, on their own responsibility and by their own means.
2. The participation in the Cluster involves membership fees in half-year periods, paid on the Cluster's Coordinator bank account. The amount of fees shall be determined on the basis of the By-Laws of the Cluster.
3. Membership fees and other potential incomes of the Cluster shall be element of the Cluster's Coordinator assets.
4. Undertaking any activities or actions generating costs or financial liabilities requires the conclusion of separate agreements.
5. The funding of individual projects and activities of Task Groups shall be determined by resolutions of the Clusters Council and Management Board appointing these projects and groups or in separate agreements or arrangements.

## **§ 12**

### **Final Provisions**

1. This Agreement was concluded for an indefinite period of time and shall enter into force on the day of signature.
2. Any changes to this Agreement shall be made in writing otherwise be null and void.
3. To all matters not settled herein provisions of the governing law shall apply. Any disputes related hereto shall be settled in the order of priority by mediation. If there are no views to resolve the dispute by means of mediation it shall be solved by a common court of competent subject matter jurisdiction in Lublin.
4. The Appendixes to this Agreement shall form its integral part:
5. Appendix No. 1 By-Laws of the Automotive and Machinery Upland Cluster Organisation.
6. Appendix No. 2 Declaration of participation in the Automotive and Machinery Upland Cluster Organisation.
7. This Agreement was drawn up in two counterparts, one for each of the Parties.



## Signatures of the Partners:

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Miejskie Przedsiębiorstwo Komunikacyjne – Lublin – Sp. z o.o.

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Lubelski Park Naukowo-Technologiczny S.A.

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Targi Lublin S.A.

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