



**OPERATIONAL AND ELECTORAL  
ARRANGEMENTS OF THE DISTRICT  
HEATING INDUSTRY DIVISION**  
*codified as amended*

It has amended the  
Meeting of Members *held on [22 May] 2024*

***2024.***

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The operation of the Association of the District Heating Industry is based on the Statutes of the Hungarian District Heating Association (hereinafter referred to as the "Association") and the laws and other relevant legislation referred to therein.

## **I. Status and basic data of the District Heating Industry Division**

Full name: District Heating Industry Division of the Hungarian District Heating Association (Magyar Távhőszolgáltatók Szakmai Szövetsége Távhőipari Tagozata)

Abbreviated name: District Heating Industry Division

English full name: District Heating Industry Division

The District Heating Industry Division shall operate in accordance with the relevant legislation, the Statutes of the Association and the Rules of Procedure and Elections of the District Heating Industry Division. Any rules, decisions or instructions shall not be in conflict with the higher level legislation or measures listed in the order above.

The Rules of Procedure and Elections of the District Heating Industry Division shall be approved by the General Assembly of the District Heating Industry Division in accordance with the Statutes of the Association (*Statutes, point 4.8.2.2.*)

The District Heating Industry Division is not an autonomous organisation and is not independent of the Association, and its operation can only be understood within the framework of the Association. The District Heating Industry Division shall not be entitled to represent the Association in any form, unless specifically requested and/or authorised to do so by the General Assembly and/or the Board of Directors of the Association.

## **II. Aims and tasks of the District Heating Industry Division**

### **1. The strategic goal of the District Heating Industry Division**

The main objectives of the mission of the District Heating Industry Division:

- a) To promote the professional interests of district heating;
- b) Supporting the widespread social recognition of district heating;
- c) To ensure smooth and high-quality district heating services, the activities of District Heating Industry Division Members, including manufacturing, distribution, implementation, and service provision, should be widely recognized and socially acknowledged.;
- d) To promote the interests of the District Heating Industry Division Members within the Association;
- e) Ensuring high quality of manufacturing, distribution, construction and service activities of the Members of the District Heating Industry Division;
- f) Strengthening professional cohesion.

## **2. The tasks of the District Heating Industry Division in order to achieve its objectives**

### **2.1. With regard to representation and reconciliation of interests**

- 2.1.1 Within the framework of the advocacy and lobbying activities, the Coordinating Committee of the District Heating Industry Division prepares the coordinated action of the District Heating Industry Division Members on the given topic and develops the draft common position of the District Heating Industry Division Members. The opinion, position and coordinated interests of the members of the District Heating Industry Division shall be represented by the President of the District Heating Industry Division in the Board of Directors of the Association;
- 2.1.2 In urgent cases, where there is insufficient time to prepare an advocacy action affecting the members of the District Heating Industry Division through the District Heating Industry Division Executive Committee, the President shall have the discretion to decide. The President shall inform the District Heating Industry Division Members of the decision or action as soon as possible through the Association Office. In the event that 2/3 of the Executive Committee is of the opinion that the decision or action of the President is manifestly contrary to the interests of the District Heating Industry Division, the Executive Committee of the District Heating Industry Division shall have the right to overrule the decision or action of the President.
- 2.1.3 In order to coordinate and effectively represent the interests of the members of the District Heating Industry Division, the Office of the Association - on the basis of the instructions of the Executive Committee of the District Heating Industry Division - publishes professional recommendations, guides and various information materials in electronic form.

### **2.2. Other tasks**

- 2.2.1. Since the main objective of the District Heating Industry Section is to promote the highest possible quality of district heating services in Hungary, the Management of the District Heating Industry Section pays special attention to the fact that the members of the District Heating Industry Section are given the widest possible opportunity to present the products, technologies and services they produce and/or distribute, especially to the Regular Members of the Association. To this end, it will use the infrastructure of the Association and the assistance of the Association's Office.
- 2.2.2. In order to achieve high quality district heating services, the District Heating Section attaches great importance to the professional conferences, business clubs, workshops *and communication platforms of the Association and its Certified Partner Programme.*

## **III. The Membership**

### **3. Membership of the District Heating Industry Division**

- 3.1. A member of the District Heating Industry Division of the Association can be any domestic, European Economic Area (EEA) member state, or Swiss-based legal entity or individual entrepreneur that is engaged in activities related to district heating services or production, and whose manufactured or distributed products or services are connected to those of regular members. The entity must also accept the Association's Statutes and Code of Ethics and meet the conditions outlined in the Statutes.

- 3.2. An organisation may be a member of the Association's District Heating Industry Division
- a) which is already a member of the Association's District Heating Industry Division at the time of the adoption of this Regulation on the functioning and election of the Association;
  - b) or applies for future admission to the Association, fulfils the conditions laid down in the Statutes and the Board of Directors of the Association decides in favour of their admission.

#### 4. The membership procedure

##### 4.1. Documents and documents required to become a Member of the District Heating Industry Division

The applicant applies for membership of the Association by written declaration. The application must be addressed to the Board of Directors of the Association and sent electronically to the Office of the Association. The application must be accompanied by:

- a) A declaration that the applicant has read the Statutes of the Association, the Code of Ethics and the Rules of Procedure and Elections of the District Heating Industry Division and acknowledges that they are bound by the obligations contained therein,
- b) A declaration of commitment to pay the membership fee in force at all times during the period of membership,
- c) The recommendation of at least two Regular Members and at least two District Heating Industry Division Members holding a district heating operating licence (*Article 3.5.2 of the Statutes*).

##### 4.2. Procedural rules

4.2.1. The admission of members of the District Heating Industry Division shall be decided by the Board of Directors of the Association (*Article 3.5.4.2 of the Statutes*).

4.2.2. A decision mentioned in Section 4.2.1 must be accompanied by the decision from the District Heating Industry Division Management regarding membership entry. (*Statutes 3.5.2.2.*)

4.2.3. The following criteria will be taken into account by the Executive Board of the District Heating Industry Division when deciding on membership:

- a) the applicant has not been subjected to the queuing procedure specified in Section 2(25) of Act LXXXV of 2009 on the Provision of Payment Services, in the calendar year preceding the submission of the application for entry or, if the applicant has not been operating for 2 years, since the beginning of its activities;
- b) the applicant has not been the subject of a **definitive** winding-up order, a bankruptcy order or a procedure for the enforcement of a **final** judicial decision for failure to pay, within 1 calendar year preceding the date of submission of the application for membership or, if they have not been operating for 2 years, from the date on which they started to do business;
- c) more than 50% of the employees intending to join have Hungarian nationality;
- d) the owners and executive officers of the applicant are not under a prohibition pursuant to § 9/B - § 9/E of Act V of 2006 on Companies Registration, Court Proceedings and Winding-up ;
- e) the applicant has not been guilty of serious ethical or professional misconduct in the course of their business or professional activities for which they have been censured;
- f) the intending entrant also carries out activities at an establishment in Hungary;
- g) the applicant also carries out an economic activity that is intrinsically linked to the district heating sector in Hungary.

4.2.4. The Executive Board of the District Heating Industry Division shall take its decision on the admission immediately, but not later than **5 (five)** days after receipt of the admission documents of the candidate member intending to join and shall send it to the Association's Office by e-mail.

4.2.5. If the Management Board of the District Heating Industry Division 4.2.4. does not take a decision on admission by the deadline set out in point 4.4.1.2, it shall be presumed to be in favour of admission.

## 5. Initiating the termination of membership

In the event of a serious breach of the provisions of the Statutes, the Code of Ethics or the present Rules of Procedure and Elections, the Executive Board of the District Heating Industry Division may initiate the expulsion of a member of the District Heating Industry Division from the Association before the Board of Directors of the Association. The relevant provisions of the Statutes shall apply.

## 6. Rights and Obligations of Members of the District Heating Industry Division

### 6.1. How to exercise your rights and obligations as a member of the District Heating Industry Division

6.1.1. The term "District Heating Industry Division Member" as used in the Operating and Election Rules shall have the meaning and construction set forth in this Chapter.

6.1.2. *The rights and obligations of a Member* of the District Heating Industry Division may be exercised by the representative of the organisation with the right to sign in a company form, or by their authorised representative, provided that the representative of a Member of the District Heating Industry Division may only be a manager, employee or natural person with a long-term mandate of the Member and the power of attorney or mandate for the representation has been confirmed in writing.

### 6.2. Rights of a Member of the District Heating Industry Division

Member of the District Heating Industry Division :

- a) may attend the General Assembly of the Association by *proxy or by representative*;
- b) may participate in the meetings of the District Heating Industry Division by *proxy or by proxy* with the right to vote;
- c) their representative *or proxy* shall be eligible for election to offices open to members of the District Heating Industry Division and shall have the right to vote;
- d) may, through its representative *or its proxy*, propose items for the agenda of the General Assembly;
- e) may address the General Assembly and the Board of Directors with proposals and initiatives through its representative *or its proxy*;
- f) may propose members to the Committees of the Association;
- g) can use the services of the Association;
- h) Membership of the Association may be indicated on its headed documents;
- i) *their representative or their authorised representative* may inspect documents relating to the operation of the Association, without prejudice to personal data, in the presence of the President (*Article 3.7.4 of the Statutes*).

### 6.3. Obligations of the representative of a Member of the District Heating Industry Division

A Member of the District Heating Industry Division is obliged to:

- a) Comply with the provisions of the Statutes and other regulations of the Association and with the decisions of the bodies of the Association;

- b) To fulfil its mandatory and voluntary tasks in relation to the activities of the Association;
- c) To provide mandatory and ad hoc data requested by the Association;
- d) Pay the membership fee on time;
- e) Comply with the ethical standards adopted by the Association;
- f) To refrain from any conduct that is prejudicial to the Statutes, interests and reputation of the Association; (*Statutes, point 3.7.5.*)

## **IV. ORGANISATIONS AND OFFICERS OF THE DISTRICT HEATING INDUSTRY DIVISION**

### **7. Organisations of the District Heating Industry Division**

- a) General Assembly of the District Heating Industry Division;
- b) Management of the District Heating Industry Division.

### **8. The Members' Meeting of the District Heating Industry Division**

#### **8.1. Rules for the convening and conduct of the General Assembly of the District Heating Industry Division**

8.1.1. The main deliberative and decision-making body of the District Heating Industry Division is the Members' Assembly of the District Heating Industry Division, which is composed of all the Members of the District Heating Industry Division. The General Assembly of the District Heating Industry Division shall be convened as necessary, but at least once a year. An Annual General Meeting shall be held every three years, prior to the Association's Annual General Meeting, at a suitable venue.

8.1.2. A General Assembly of the District Heating Industry Division shall be convened:

- a) On the basis of a decision of the Board;
- b) If it is initiated in writing by at least 1/3 of the members of the District Heating Industry Division, stating the reason and purpose of the meeting and the agenda. In this case, the Executive Committee shall, within 30 days of becoming aware of the initiative, initiate the convening of a meeting of the Members of the District Heating Industry Division. If the Executive Committee does not initiate the convening of an Extraordinary General Assembly of the District Heating Industry Division within 30 days of becoming aware of the matter, the request for an Extraordinary General Assembly of the District Heating Industry Division shall be submitted to the Office of the Association, in which case the Board of Directors of the Association shall convene the General Assembly of the District Heating Industry Division.
- c) If initiated by the Board of Directors of the Association for a reason other than those set out in point b); (*Statutes, point 4.8.6.*)
- d) If the Board resigns within 30 days of the resignation.

8.1.3. The Executive Committee shall convene the Members' Meeting of the District Heating Industry Division in writing. The invitation to the Members' Meeting of the District Heating Industry Division shall be sent in writing to all Members of the District Heating Industry Division 15 (fifteen) days before the meeting, indicating the place, date and the planned agenda of the Members' Meeting of the District Heating Industry Division.

8.1.4. The proposals for each item on the agenda must be sent in writing to the members of the District Heating Industry Division no later than 5 (*five*) days before the General Assembly of the District Heating Industry Division.

8.1.5. The invitation and the submissions shall be made available in electronic form.

8.1.6. The invitation shall also draw the attention of the members of the District Heating Industry Division to the legal consequences of the absence of a quorum. The Members' Meeting of the District Heating Industry Division may be convened half an hour (30 minutes) after the Members' Meeting of the District Heating Industry Division, which is not quorate, with the proviso that the resumed Members' Meeting of the District Heating Industry Division shall constitute a quorum regardless of the number of Members present. However, information to this effect shall be given in the invitation. If a Resumed Members' Meeting of the District Heating Industry Division is not held on the same day as the original Members' Meeting of the District Heating Industry Division due to a lack of quorum, a new invitation shall be sent to the Members of the District Heating Industry Division.

8.1.7. The General Assembly of the District Heating Industry Division shall be chaired by the President of the District Heating Industry Division, in their absence, by the Vice-President General. A simple majority of those present may elect a chairperson from among themselves. ***The Secretary General may also be elected as the presiding officer.***

8.1.8. Valid decisions can only be taken at the Members' Meeting of the District Heating Industry Division on matters on the agenda of the Members' Meeting of the District Heating Industry Division. No new item may be added to the agenda of a Member Assembly of the District Heating Industry Division, which requires a decision unless all Members of the District Heating Industry Division are present at the ***Member Assembly*** and the item is approved unanimously by the Members of the District Heating Industry Division.

8.1.9. A memorandum of the meeting of the Members of the District Heating Industry Division shall be drawn up and authenticated by the Chair of the Meeting of the Members of the District Heating Industry Division and the two ***representatives*** of the Members of the District Heating Industry Division and the memo maker, ***who shall act on behalf*** of the two Members of the District Heating Industry Division invited by the Chair of the Meeting of the Members of the District Heating Industry Division at the Meeting of the Members of the District Heating Industry Division. The District Heating Industry Division Members' Meeting attendance list is annexed to the Memorandum.

8.1.10. The Chairperson of the District Heating Industry Division Assembly will propose the names of the minutes' recorder and two authenticators before the Assembly approves the agenda items.

8.1.11. A serially numbered record of the decisions of the Assembly of Members of the District Heating Industry Division shall be kept, from which the content, date and scope of the decisions of the Assembly of Members of the District Heating Industry Division and the number of those in favour and those against the decision can be ascertained.

8.1.12. A Member of the District Heating Industry Division may appeal against an illegal decision of the General Assembly of the District Heating Industry Division to the Board of Directors of the Association within a time limit of 60 days from the date of its notification.



8.1.13. The Members' Meeting may also be attended by electronic means of communication, if the Board so decides before the Members' Meeting. In this case, the names of the members who will participate in this way shall be indicated in the reminder. Members attending by electronic means shall have the same rights and obligations as members attending in person. *An appropriate electronic means of communication is any method of electronic communication which allows the transmission of both images and sound, which is capable of ensuring unrestricted simultaneous contact between the participants in the communication for all parties involved, of ensuring the protection of business secrets to the required level and of storing the contact events in a reproducible manner.*

## **8.2. Voting rights**

8.2.1. Each member of the District Heating Industry Division shall be entitled to one vote at the General Assembly of the District Heating Industry Division (*Article 4.8.3 of the Statutes*).

8.2.2. A Member of the District Heating Industry Division against whom the Association has a claim as described in clauses 3.9.6 *and 3.9.8 of* the Statutes by 4.00 p.m. on the day before the District Heating Industry Division Members' Meeting may not exercise their right to vote at the Members' Meeting.

8.2.3. At the Association's General Assembly, the President of the District Heating Industry Division shall exercise the number of votes of the District Heating Industry Division as set out in Article 3.9.7 of the Statutes, subject to Article 3.9.8 of the Statutes.

## **8.3. Rules on the quorum for the Members' Assembly of the District Heating Industry Division**

8.3.1. The quorum of the General Assembly of the District Heating Industry Division is constituted if more than 1/3 (one third) of the members of the District Heating Industry Division are present (*Statutes 4.8.1.*)

8.3.2. The General Assembly of the District Heating Industry Division adopts its decisions 10.2.5. shall be taken by open ballot by a simple majority of votes, except in cases not otherwise provided for in the Rules of Procedure and Elections of the District Heating Industry Division.

## **8.4. The General Assembly shall have the exclusive competence to**

- a) Election and recall of the members of the Executive Committee of the District Heating Industry Division;
- b) To regulate, adopt and amend the Rules of Procedure and Elections of the District Heating Industry Division in accordance with the content of the Statutes of the Association;
- c) Discussing issues concerning the activities of the District Heating Industry Division, which fall within the scope of professional autonomy within the Association, and formulating resolutions; (*Statutes 4.8.2.*)
- d) Any task that the Members' Meeting of the District Heating Industry Division decides to discuss.

## **9. The Management of the District Heating Industry Division**

### **9.1. The Executive Committee of the District Heating Industry Division**

9.1.1. The Executive Committee of the District Heating Industry Division is a governing body elected for a term of 3 (three) years in accordance with the Statutes of the Association and the Rules of Procedure and Elections of the District Heating Industry Division.

9.1.2. The Management of the District Heating Industry Division according to 10.2.2. and 10.2.3. shall be composed of 5 (five) **legal** entities elected by the Members' Meeting of the District Heating Industry Division. ***The legal entity shall designate the natural person who shall act on its behalf as the Chief Executive Officer.*** The members of the Executive Board of the District Heating Industry Division shall be the 5 (five) **members** who received the most votes. The number of members of the Executive Committee of the District Heating Industry Division shall not be reduced below 3 (***three***) members even in the event of a termination of a mandate.

9.1.3. The office of the member of the Executive Board of the District Heating Industry Division shall be attached to the elected **legal** entity **member**, shall be non-transferable and may be held ***through a representative authorised to act on behalf of the member of the Executive Board.*** The term of office of the members of the Executive Board of the District Heating Industry Division ***shall be*** 3 (three) years, but not longer than the end of the election period, for a ***term of office equivalent to the term of office of the Board of Directors of the Association.***

9.1.4. The mandate for the elected office shall cease,

- a) if the Board Member resigns from office;
- b) ***upon the termination of the*** Board Member ***without succession;***
- c) by the withdrawal of a Board Member by the Members' Assembly of the District Heating Industry Division.

If a member of the District Heating Industry Division's Board of Directors resigns before the end of the 3-year term due to reasons specified in points 9.1.4 a)-b), a new Board member will be elected at the next General Assembly, in accordance with point 9.1.2. The new member's mandate will last until the next election.

9.1.5. If the term of office of an Executive Board Member expires due to reasons explained in 9.1.4c) - the recall of an Executive Board Member requires a 2/3 (two-thirds) majority of the votes of the members of the District Heating Industry Division present at the Members' Meeting - then the according to 10.2. of the present Rules of Procedure shall be elected within 30 days of the termination of the term of office.

9.1.6. If for any reason the Executive Committee is unable to function or is unable to fulfil its purpose and tasks as defined by the applicable legislation, the Statutes and the Rules of Procedure and Elections, the Executive Committee of the District Heating Industry Division may dissolve itself by a 3/5 (three-fifths) decision, which does not require the subsequent approval of the Members' Assembly of the District Heating Industry Division. In such a case, a reconvening meeting of the Members of the District Heating Industry Division must be convened within 30 days of the dissolution.

9.1.7. The meetings of the Board of Directors shall be convened in writing by the President of the District Heating Industry Division or, if he is unable to attend, by the Vice-President General of the District Heating Industry Division.

## 9.2. Tasks of the Management Board

9.2.1. Within the framework of the legislation, the Statutes and the Rules of Procedure and Elections, the Executive Board organises and manages the activities of the District Heating Industry Division independently and with full responsibility, in accordance with the decisions of the General Assembly of the Section.

9.2.2. The Executive Committee has the authority and the right to decide on all matters that do not fall within the exclusive competence of the General Assembly of the Association or the General Assembly of the District Heating Industry Division. It is responsible for its activities to the General Assembly of the District Heating Industry Division.

9.2.3. At least once a year, the Executive Board shall report to the General Assembly of the District Heating Industry Division on the activities of the Executive Board.

9.2.4. The Board meets in person as often as necessary, but at least once every six months. Additional meetings may be held by electronic means. ***An appropriate electronic means of communication is any electronic communication method that allows the transmission of both images and sound, which is capable of ensuring unrestricted simultaneous contact of all parties involved in the communication, of ensuring the protection of business secrets to the required level, and of storing the contact events in a reproducible manner.***

9.2.5. The Executive Committee shall act on all matters referred to it by the Rules of Procedure and Elections or by the General Assembly of the District Heating Industry Division.

9.2.6. ***The Secretary General of the*** Association's Board of Directors ***and its employees***, as well as those invited by the Board of Directors and the President of the District Heating Industry Division, have the right to participate in the meetings of the Board of Directors.

9.2.7. A quorum is constituted when all members are present. It shall take its decisions by a simple majority of votes, in accordance with the rule of one member one vote, except in the case of 9.1.6. In the event of a tied vote, the vote shall be taken again, and in the event of a further tied vote, the item shall be deemed to have been rejected. A meeting of the Board of Directors is required if at least 1 (one) member of the Board of Directors requests it. Minutes shall be taken of the meetings of the Board of Directors, showing the content, date and scope of decisions and the number of votes for and against.

### **9.3. Contact**

9.3.1. The Management of the District Heating Industry Division is in regular contact with the Board of Directors and ***Committees*** of the Association. The President of ***the Executive Committee*** of the District Heating Industry Division is a member of the Board of Directors of the Association. The General Vice President of the District Heating Industry Division is a member of the Supervisory Board of the Association and ***is entitled to act on its behalf***. The Vice President of the District Heating Industry Division is a member of the Ethics Committee of the Association, with ***the right to act on his behalf*** (*Articles 4.3.2, 4.7.1 and 4.9.3 of the Statutes*).

9.3.2. The Management of the District Heating Industry Division maintains permanent contact with the members of the District Heating Industry Division. Information on all Board meetings is sent to the District Heating Industry Division Members. The briefing note is prepared by the Association Office on

the basis of the minutes of the meeting and sent to the District Heating Industry Division Members after approval by the President of the District Heating Industry Division ***Executive Committee***.

9.3.3. The President of the District Heating Industry Division keeps the Executive Committee of the District Heating Industry Division informed of the proceedings of the meetings of the Board of Directors of the Association, which are not closed.

9.3.4. It is recommended to organise 2 (two) meetings of the District Heating Industry Division (***Business Club***) per year, one of which should be held at the headquarters or premises of one of the members of the District Heating Industry Division.

#### **9.4. Elected officers of the District Heating Industry Division**

9.4.1. Officers of the District Heating Industry Division:

- a) President of the District Heating Industry Division;
- b) General Vice President of the District Heating Industry Division;
- c) Vice President of the District Heating Industry Division;
- d) 2 (two) members of the Executive Committee of the District Heating Industry Division.

9.4.2. The elected executive ***officers may be legal entity members of the District Heating Industry Division, who shall appoint natural persons authorised to represent them,*** who shall act without remuneration.

#### **9.5. President of the District Heating Industry Division**

9.5.1. Duties and powers of the President of the District Heating Industry Division:

- a) Organises the work of the Board;
- b) It organises the District Heating Industry Division meetings with the involvement of the Association Office;
- c) Convene meetings of the Board of Directors, with the involvement of the Association's Office;
- d) Representing the District Heating Industry Division in the Board of Directors of the Association and in the decision-making forums of the Association;
- e) Ensures the operation of the District Heating Industry Division in accordance with the Statutes and the Rules of Procedure and Elections, and creates the necessary conditions for this;
- f) Liaise and ensure the flow of information between the Executive Board and the Board of Directors of the Association.

9.5.2. In the event of the President of the District Heating Industry Division being prevented from attending, they shall be replaced by the Vice-President General, with full powers of ***general*** competence.

9.5.3. If for any reason the mandate of the President of the District Heating Industry Division ceases ***before the end of their term of office***, the General Vice-President shall become President of the District Heating Industry Division until the end of the election period.

## **V. THE ELECTION OF OFFICERS OF THE DISTRICT HEATING INDUSTRY DIVISION**

### **10.1 The elected body of the District Heating Industry Division**

- a) the Executive Committee, consisting of the President, the General Vice President, the Vice President and 2 Board members;

## 10.2 The electoral procedure

10.2.1 Officers of the District Heating Industry Division are elected by election. Elections shall be conducted on the basis of the principle of one member organisation one vote, with personal participation. Members of the District Heating Industry Division shall be entitled to exercise their right to vote through *their representative or proxy*.

10.2.2 The members of the District Heating Industry Division *may be elected* as members of the Executive Board or elected officers of the District Heating Industry Division, *who, if elected, shall appoint the natural persons authorised to act on their behalf as* officers, employees or employees in a contracting relationship.

10.2.3 The elected office is only visible to the elected *legal* entity *member*, the office, the membership in the body is not transferable.

10.2.4 The elected officer shall carry out their activities and duties with the primary aim of achieving the objectives set out in Section II.1 of the Rules of Procedure and Elections of the District Heating Industry Division.

10.2.5 The Executive Committee of the District Heating Industry Division is elected by the members of the District Heating Industry Division by secret ballot on the basis of one member one vote for a term of 3 (three) years.

10.2.6 The President, General Vice President, and Vice President of the District Heating Industry Division are elected by the members of the Division's Board of Directors as follows:

- a) The President is elected by a simple majority vote, with all Board members present. If no candidate achieves a majority, the vote is repeated until one candidate receives the majority of votes.
- b) The General Vice President is elected by the same procedure.
- c) The Vice President is elected in the same manner.
- d) Separate votes are held for each position in the following order: President, General Vice President, and Vice President.

10.2.7 The coordination of the renewal elections and the establishment of the list of candidates is the responsibility of the Association Office.

10.2.8 The Office of the Association will carry out the following tasks in order to establish the list of candidates:

- e) To inform the members of the District Heating Industry Division, to collect opinions and suggestions *on the members* who could be considered for the positions of *the Board*;
- f) As a result of the data collection, proposals for *the member, the person authorised to represent the member* and the *nominee for the board member*.

10.2.9 The members of the District Heating Industry Division's General Assembly may propose additional candidates for the Board of Directors during the election session. The inclusion of these candidates on the nomination list is decided by an open vote, requiring a simple majority.

10.2.10 The proposals of the Office of the Association, together with the written declaration of the candidate accepting the nomination, shall be submitted by the **Secretary General** to the General Assembly of the District Heating Industry Division.

10.2.11 The relevant provisions of the Statutes of the Association shall apply to the conduct of secret ballots, with appropriate exceptions.

## **VI. TRANSITIONAL AND FINAL PROVISIONS**

11.1 These Rules of Procedure and Elections were adopted by the Members' Meeting of the District Heating Industry Division on 08.11.2019.

***11.2 The Association's Office shall keep up-to-date records of any further amendments to these Rules of Procedure and Elections of the District Heating Industry Division, which members may consult and obtain information on request.***

Members' meeting of the District Heating Industry Division