

**THE
CONSTITUTION
OF THE CZECH PHARMACO-ECONOMIC SOCIETY**

**Part One
GENERAL PROVISIONS**

**§ 1
Legal Subjectivity**

- 1) **The Czech Pharmaco-Economic Society / Česká farmako-ekonomická společnost** (hereinafter the „ČFES“) is a voluntary, independent association of natural persons – physicians, pharmacutists and other professionals in health care and related branches – as well as legal entities.
- 2) The ČFES operates on the territory of the Czech Republic.
- 3) The ČFES has a position of a legal entity carrying a character of an unincorporated association in compliance with the Association of Citizens Act No. 83/1990 Col. as amended.
- 4) The registered office of the ČFES is at the address: Praha 7, Františka Křížka 1392/23, PSČ/Zip Code: 170 00.

**§ 2
The Main Mission, Objectives and Forms of the Activity**

- 1) The ČFES ensures and guards the development and extension of scientifically substantiated findings in medical sciences and related branches, strives for their implementation in the care of health of citizens with a particular emphasis on an improvement of the health status of the population in connection with an effective utilization of sources.
- 2) The ČFES participates in an enhancement of level of the professional knowledge of its members in the sphere of medical sciences and related branches and in amplification of healthcare edification of citizens.
- 3) The ČFES supports scientific/research activities in the sphere of healthcare, facilitates creation of conditions for the transfer of its results to expert as well as general public, and enforces their implementation in practice.
- 4) The ČFES takes comprehensive part in solving questions regarding management, organization as well as proper realization of diagnostic procedures, therapeutic and prophylactic care and related activities.
- 5) The ČFES creates preconditions for an exchange of information and development of all forms of collaboration between its members and organizations as well as institutions of an analogous orientation in the Czech Republic and abroad.

- 6) The ČFES gives an all-round support to activities of professional societies, associations of physicians and associations of other professionals in healthcare and related branches.
- 7) The ČFES enforces utilization of only such diagnostic, prophylactic and therapeutic methods the nature and effect of which are based on scientific proofs recognized at present.
- 8) The ČFES strives to be generally active in the sphere of healthcare, especially to take part in professional discussions and preparation of legal motions.
- 9) The ČFES suggests measures in the sphere of drug and healthcare policies in the context of the Czech Republic and abroad.
- 10) The ČFES strives for incorporation into the structures of the Czech Medical Society of Jan Evangelista Purkyně / Česká lékařská společnost Jana Evangelisty Purkyně (hereinafter the “ČLS JEP”) as well as other roofing organizations, including international ones.

§ 3

Forms of the Activity

- 1) The ČFES arranges and organizes inland and international educational events (congresses, symposia, conferences, lectures, seminars, courses, colloquia, etc.).
- 2) The ČFES helps its members in organizing business trips and study stays within the Czech Republic and abroad.
- 3) The ČFES participates through its members in selective, competitive, attestation and accreditation as well as similar procedures.
- 4) The ČFES performs qualified advisory and expertise activities both for its members and sympathizing persons and entities.
- 5) The ČFES supports the analysis of factors which affect the therapeutic value, consumption and need of drugs.
- 6) The ČFES supports the development of pharmaco-economic methods.
- 7) The ČFES supports the verification of validity of available information sources and their preference in individual medical professions.
- 8) The ČFES supports the establishment of an available database oriented onto drugs, diagnosis as well as the patient with an aim of monitoring the quality of life and employment of public resources in the Czech Republic and abroad.
- 9) The ČFES announces competitions, awards prizes and other appreciations for excellent results achieved in the development of pharmaco-economics, medical sciences and related branches.
- 10) The ČFES informs the broad expert public on its activities through modern means of communication and other means.
- 11) The ČFES is entitled to conduct side economic activities (e.g. publishing and editorial activities, etc.).

Part Two
INTERNAL ARRANGEMENT

Chapter One
MEMBERSHIP

§ 4
Conditions and Types of the Membership

- 1) Membership in the ČFES is voluntary.
- 2) Besides natural persons, also legal entities can be members of the ČFES, all of them under the conditions specified by this Constitution.
- 3) A natural person can become a member if he/she agrees with the membership and objectives of the ČFES, and if the Committee has approved his/her Application, that all under the following conditions:
 - a) the person has achieved at least 18 years of age, and
 - b) the person is without a criminal record (at an extent complying with the Act No. 450/1991 Col. on Trade Licence Undertaking as amended)
- 4) A legal entity can become a member of the ČFES if:
 - a) its registered office is at the territory of the Czech Republic, or it is an organizational unit of a foreign legal entity with its registered office in the Czech Republic; and
 - b) it has made an agreement with the ČFES according to § 7 paragraph 4.
- 5) Each and any member accepted shall receive the Membership Card and the Constitution of the ČFES.
- 6) The membership in the ČFES is as follows:
 - a) ordinary
 - b) honorary
 - c) collective

§ 5
Ordinary Membership

- 1) The ordinary member applies to a natural person who has been accepted as a member by the Committee of the ČFES and has reimbursed the annual fee as defined by the Assembly of Members for the relevant calendar year.
- 2) The legal entity cannot become the ordinary member.
- 3) Natural persons applying for the ordinary membership in the ČFES should lodge a written Application. The Application contains a document about reimbursement of the annual fee. The membership originates on the day of fulfillment of the last condition required for the ordinary membership.

- 4) The Application must contain the following data:
 - a) First name and surname of the Applicant;
 - b) Date and place of birth;
 - c) Place of permanent residence or a temporary stay;
 - d) Nationality and citizenship;
 - e) Statement of the Applicant acknowledging his/her consent with provisions of the Constitution of the ČFES and with the membership as well as the intent to contribute to its good reputation;
 - f) Date and one's own signature.
- 5) The membership in the ČFES is renewed annually by reimbursement of the annual fee in the following year.

§ 6

Honorary Membership

- 1) The honorary member applies to a natural person who has merited of the development of the pharmaco-economics, healthcare, medical science or development of the ČFES in a particularly important manner, and who has been appointed the honorary member by the Committee of the ČFES.
- 2) The legal entity cannot become the honorary member.
- 3) The honorary membership is life-long and is not subject to payment of membership fees. It is at discretion of each and any honorary member if he/she will donate a gift or give other support to the ČFES.

§7

Collective Membership

- 1) The collective member is a legal entity which has an agreement made with the ČFES according to § 7 paragraph 4, and which has reimbursed the fee defined by resolution of the ČFES Committee.
- 2) The natural person cannot become the collective member.
- 3) The membership of collective members in the ČFES is being renewed annually by reimbursement of the contribution as defined by resolution of the ČFES Committee in the following year.
- 4) The legal entity concludes with the ČFES an agreement on the collective membership and collaboration which regulates conditions of the membership of the legal entity in the ČFES as well as corresponding rights and obligations.

§8

Membership Fee

- 1) In ordinary members, the membership fee means an annual contribution defined by Assembly of Members for a relevant calendar year, while in collective members, it is a contribution defined by resolution of the ČFES Committee.

- 2) The membership fee should be reimbursed either in cash into the ČFES till or via transfer at the ČFES current account.
- 3) The membership fee should be reimbursed at the latest by January 31st of the calendar year. If, however, the membership originates in the course of the year, the membership fee of ordinary members is to be reimbursed simultaneously with a submission of the Application. Collective members should reimburse the membership fee within the date specified in the agreement.
- 4) In cases of particular regard, the member can be exceptionally deprived of the obligation to pay the membership fee based on a written application. The Committee decides on the application.
- 5) The annual contribution of a member paid is non-refundable, which is true even in case the membership did not last or has not lasted for the whole year.
- 6) The membership ceases by non-reimbursement of the fee. However the obligation of the former member to reimburse the fee does not cease. The ČFES may enforce fulfillment of the obligation to reimburse the fee by legal proceedings.

§ 9

Cessation of the Membership

- 1) The membership in the ČFES ceases always by cessation of the ČFES in any way specified in this Constitution.
- 2) In ordinary members the membership ceases:
 - a) by withdrawal from the ČFES on the basis of a written statement delivered to the ČFES, which is effective on the day of the delivery;
 - b) by non-reimbursement of the fee within the term according to § 8 paragraph 3;
 - c) by decision of the Committee on expelling of a member owing to reasons specified in § 10, which is effective on the day specified in the decision;
 - d) by loss of integrity; or
 - e) by death or declaration of death.
- 3) In legal entities the membership ceases:
 - a) by lapse of the contractual length of membership of the legal entity, resp. on the last day of the contractual length;
 - b) by expiry of effect of the agreement, resp. on the day of expiry of the effect;
 - c) by declaration of bankruptcy or its rejection due to lack of assets, resp. on the day of public notification of the decision via its hanging out;
 - d) by decision of the Committee about expelling due to reasons defined in § 10, resp. on the day indicated in the decision.

§ 10
Exclusion of the Member

- 1) The member can be excluded from the ČFES if:
 - a) he/she has seriously infringed the Constitution of the ČFES, with the serious infringement meaning that he/she repeatedly, i.e. at least 2x in recent 24 months, infringed the Constitution of the ČFES although previously reminded of such an infringement by the Revision Commission of the ČFES in writing; or
 - b) he/she has acted against interests of the ČFES or has damaged its good name and reputation; or
 - c) he/she has violated the principals of humanity, honor, humanism, and democracy.
- 2) The decision on exclusion falls within the competence of the ČFES Committee. The decision of the Committee about the exclusion must be in writing, must contain the verdict, including the day of cessation of the membership, reasoning and an appeal clause. The Revision Commission decides about the Appeal. The decision of the Revision Commission is final and no remedial measures against the decision are possible. The decision on exclusion can be abolished by the ČFES Committee until the decision of the Revision Commission.
- 3) The membership of the excluded member can be restored after a lapse of one year after the exclusion based on a new Application. The Committee decides about the Application in a way as under § 5 in case of the natural person, resp. as under § 7 in case of the legal entity. The Revision Commission provides a statement regarding the restoration of the membership. Nevertheless, the Committee is not bound by the opinion of the Commission.

§ 11
Rights and Obligations of Members

- 1) Each and any member has a right to:
 - a) take personal part in activities of the ČFES;
 - b) take personal part in meetings of the Committee if the decision of his/her exclusion is on the agenda;
 - c) take personal part in Assembly of Members;
 - d) vote at the Assembly under conditions defined in this Constitution;
 - e) suggest one member to the Assembly to be elected into the Committee of the ČFES;
 - f) present own opinions, criticism and suggestions, and to require discussion thereof at the Assembly of Members;
 - g) require reports on activities of the ČFES and its economic management under conditions specified herein;
 - h) submit an application for convening the Assembly of Members;

- i) make use of benefits, help and support following from the membership in the ČFES.
- 2) Each and any member is obliged to:
- a) adhere to the Constitution and Decision of the ČFES and its bodies;
 - b) fulfill tasks imposed by the resolution of the Assembly of Members and the decision of the ČFES Committee, or provide necessary cooperation on fulfillment of thereof;
 - c) pay the membership fee in a due and timely manner;
 - d) contribute to the fulfillment of the mission and objectives of the ČFES;
 - e) execute properly the entrusted functions.

Chapter Two

INTERNAL STRUCTURE OF THE ČFES

§ 12

Bodies of the ČFES

- 1) Bodies of the ČFES are:
 - a) Assembly of Members,
 - b) Committee,
 - c) Revision Commission.

§ 13

The Assembly of Members of the ČFES

- 1) The Assembly of Members is the supreme body of the ČFES.
- 2) The right of participation in and voting at the Assembly of Members is regulated by this Constitution.
- 3) The Assembly of Members is convened by the Committee as necessary, however at least once in four years. It must be convened always when at least 1/3 of all members apply for it, or if required by the Revision Commission, and it must be done within three months from the day of delivery of the application. The term and place of the Assembly of Members must be published by the Committee not later than 15 days prior to the date of the Assembly by forwarding invitation cards to individual members.
- 4) The application for summon must be in writing, must be provided with signatures of members, and must contain the proposed agenda of the Assembly of Members.
- 5) The Assembly of Members elects and revokes members of the:
 - a) Committee;
 - b) Revision Commission.
- 6) Ordinary members of the ČFES have the right to elect members of the Committee and the Revision Commission of the ČFES.

- 7) The voting at the Assembly is made via secret ballot by means of voting papers. More detailed rules of vote are contained in the Rules of Voting approved by the Committee.
- 8) The 2/3 majority of members present is necessary for acceptance of the resolution of the Assembly of Members as regards the election and revoke of members of the Committee and a change in the Constitution. A simple majority of members present is required for acceptance of other resolutions.
- 9) The Assembly of Members is particularly entitled to:
 - a) approve a change in the Constitution;
 - b) approve a decision of the Committee about division, amalgamation and/or other internal structuring of the ČFES as well as establishment of its lower organizational units;
 - c) approve the report on activities for the past period, budget, Revision Commission Report and basic directions of activities of the ČFES;
 - d) decide upon matters reserved for the solution.
- 10) The decision of the Assembly of Members has the form of a Resolution.
- 11) Minutes signed by the chairman of the ČFES are taken as regards decisions of the Assembly of Members as well as the course of the session.

§ 14

The Committee of the ČFES

- 1) The Committee is the governing and executive body of the ČFES.
- 2) The Committee of the ČFES has at least three members. However, the number of members must be always odd.
- 3) The term of office of members of the Committee is four years; however, it cannot end before a new Committee is elected. Each and any member of the Committee is entitled to resign anytime from the function of the member of the Committee. The resignation is effective on its written delivery to the Committee. If, in the course of its term of office, the number of Committee members decreases so that a quorum is impossible, the remaining members of the Committee are authorized to co-opt new members of the Committee. However, the term of office of the newly co-opted members of the Committee lasts only until election of a new Committee.
- 4) The ČFES Committee has especially the following tasks:
 - a) prepares sessions of the Assembly of Members;
 - b) submits suggestions for approval by the Assembly of Members;
 - c) realizes its resolutions;
 - d) solves current matters associated with operation of the ČFES between its sessions if not entrusted to another body of the ČFES;
 - e) convenes the Assembly of Members;
 - f) informs members of the ČFES on a regular basis as regards activities of the organizational unit, always at the Assembly of Members;

- g) solves questions associated with economic management, authorizing the ČFES Manager by their realization;
 - h) keeps documentation on its activities;
 - i) develops reports of its activities.
- 5) The Committee is particularly authorized to:
- a) select the Chairman, the Deputy Chairman, the Manager (the Cashier) and the representative of the ČFES out of its members to deal at relevant bodies of the ČLSJEP;
 - b) delegate in substantiated cases a representative authorized to deal on behalf of the ČFES;
 - c) delegate representatives of the ČFES into advisory bodies, commissions and other bodies as well as for various proceedings regarding problems associated with orientation of activities of the ČFES;
 - d) decide upon division, amalgamation, further internal structuring of the ČFES, including establishment of lower organizational units;
 - e) create advisory bodies for fulfillment of short-term as well as long-term projects;
 - f) decide upon an origin of new resp. cessation of the hitherto membership in the ČFES;
 - g) decide upon restoration of the membership in compliance with § 10 paragraph 3;
 - h) decide upon an application for waiving the payment of the membership fee according to the § 8 paragraph 4);
 - i) decide upon an amount of the membership fee for a relevant calendar year;
 - j) perform further activities associated with realization of the mission and objectives of the ČFES.

§ 15 Sessions of the Committee

- 1) The session of the Committee is convened by the Chairman or the Deputy Chairman of the Committee.
- 2) Convening is done by a written invitation card delivered to all members of the Committee at least 5 working days prior to the date of the session. The delivery means a personal transfer of the invitation card or its delivery by post with the bill of delivery, by fax or electronic mail. If fax or the electronic mail is used, the bill of delivery is replaced by the report of delivery forwarded by the recipient back to the sender.
- 3) The Committee is in session as necessary, however at least once (1x) in three (3) months.

- 4) The Committee is a collective body which decides in all matters by a simple majority of votes of members present. The Committee has a quorum if the majority of its members are present in the session.
- 5) Minutes are taken in the session of the Committee and they contain resolutions adopted by the Committee. The minutes should be signed by the Chairman or the Deputy Chairman of the Committee.

§ 16

The Chairman of the ČFES

- 1) The Chairman of the ČFES is the authorized representative of the ČFES, who represents the ČFES outwards in the Czech Republic as well as abroad. The Chairman of the ČFES is entitled to sign all written documents on and in behalf of the ČFES.
- 2) The Chairman of the ČFES signs written documents by his own name with an appendix of the Chairman of the ČFES. If absent or engaged by other matters, he/she is represented by the Deputy Chairman or another authorized member of the ČFES Committee on the basis of a written authorization. They should sign written documents by adding an appendix Deputy Chairman of ČFES or an authorized ČFES Committee member to their names.
- 3) The Chairman manages and organizes dealings of the ČFES Committee.
- 4) In case of an inevitable need, the Chairman is entitled to take necessary decisions falling within the competence of the ČFES Committee and informs immediately the whole ČFES Committee accordingly.
- 5) The Chairman submits a Report on Activity of the Committee for the past period to the Assembly of Members of the ČFES.

§ 17

The Deputy Chairman of the ČFES

- 1) The Deputy Chairman of the ČFES represents the Chairman in absence of the latter.
- 2) The Deputy Chairman of the ČFES is entitled to act for and bind the ČFES as well as sign written documents for and in the name of the ČFES.

§ 18

The Manager of the ČFES

- 1) The Manager of the ČFES is responsible for economic activities of the ČFES and keeping of required files.
- 2) The Manager of the ČFES takes part in sessions of the Committee and informs the Committee on a regular basis about the state of economic management.
- 3) The Manager submits an Annual Report on the state of economic management to the ČFES Committee and a draft for budget for the next year.

- 4) The Manager of the ČFES is entitled to command means of the ČFES, approves and signs invoices, that all in compliance with instructions of the Chairman or the Committee of the ČFES.

§ 19

The Revision Commission of the ČFES

- 1) The Revision Commission is a control body of the ČFES.
- 2) The Revision Commission has at least three members. They vote their Chairman who controls and organizes its activity.
- 3) The Revision Commission has primarily the following tasks:
 - a) It checks the activity of members and bodies of the ČFES;
 - b) At least once a year, it develops the Revision Report and gets the Assembly acquainted with it.
- 4) The Revision Commission of the ČFES is entitled particularly to the following:
 - a) through its Chairman or an authorized member, it takes part in dealings of bodies of the ČFES at its discretion;
 - b) submits its comments to the ČFES Committee;
 - c) reminds members of the ČFES in writing in case of an infringement of the ČFES Constitution;
 - d) proposes an exclusion of a member to the Committee if facts substantiating such exclusion have been ascertained.
- 5) The Revision Commission of the ČFES is authorized to require convening of the Assembly in compliance with § 8 paragraph 3.

Chapter Three

PROPERTY AND ECONOMIC MANAGEMENT

§ 20

- 1) The ČFES administers independently its property and manages its economic activities according to the annual budget.
- 2) Income of the ČFES is formed primarily by:
 - a) membership fees;
 - b) subsidies and gifts,
 - c) other income, e.g. stock yield and yield derived from activities of business companies of which the society is a founder or in activities of which it participates.
- 3) The property is designed for fulfillment of tasks following from the Constitution and is used on the basis of and in compliance with decisions of the ČFES bodies.
- 4) Book keeping of the ČFES is made in compliance with generally binding legal regulations.

§ 21
Cessation of the ČFES

- 1) The ČFES ceases:
 - a) via voluntary dissolution;
 - b) via amalgamation/merger with another association;
 - c) based on a final and conclusive decision of the Ministry of the Interior of the Czech Republic upon dissolution.
- 2) Cases of ČFES cessation according to § 21 paragraph 1 letters a) and b) are decided by the Assembly of Members.

Chapter Four
TRANSITIONAL AND FINAL PROVISIONS

§ 22

- 1) This Constitution has been approved by the preparatory committee composed of: Mgr. František Mészáros, MUDr. Juraj Minárik, MUDr. Tomáš Doležal, MUDr. Vojtěch Mészáros.
- 2) This Constitution comes into force on its approval by the preparatory committee and becomes effective on the day of registration of the ČFES by the Ministry of the Interior of the Czech Republic in pursuance of the Act No. 83/1990 Col. on Association of Citizens.
- 3) Matters of the ČFES not regulated by this Constitution shall be governed by relevant provisions of the Act No. 83/1990 Col. on Association of Citizens and other legal regulations.
- 4) Until formation of the Committee and election of the Chairman of the ČFES, Mgr. František Mészáros shall act in the name of the Association as he has been authorized thereto by the preparatory committee.
- 5) This full wording of the Constitution of the ČFES reflects the change in the Constitution of 12.1.2005.