

## **STATUTES**

### **INESC TEC - Instituto de Engenharia de Sistemas e Computadores, Tecnologia e Ciência (Institute for Systems and Computer Engineering, Technology and Science)**

#### **CHAPTER I**

##### **DENOMINATION, DURATION, REGISTERED OFFICE AND PURPOSE**

###### **Article 1**

1. “INESC TEC - Instituto de Engenharia de Sistemas e Computadores, Tecnologia e Ciência” (Institute for Systems and Computer Engineering, Technology and Science), hereinafter referred to as INESC TEC, is a non-profit scientific and technical association, established for an indefinite period. -----
2. INESC TEC registered office is located at the Campus of the Faculty of Engineering of the University of Porto, abbreviated as “FEUP Campus”, at Rua Dr. Roberto Frias, Paranhos, Porto. INESC TEC’s registered office can be moved to any other location in the district of Porto, by decision of the General Council, with favourable votes of three-quarters of the number of members present. -----
3. INESC TEC may affiliate, associate with or join national, foreign or international bodies with similar objectives, participate in the capital of companies as an instrument of pursuing its purpose, as well as create delegations or any other form of representation, in Portugal or abroad.-----

###### **Article 2**

1. INESC TEC’s purpose is to enhance the involvement/intervention of its associate member

institutions in the development of the economic and social fabric, thus contributing to improving performance, increasing competitiveness and expanding the level of internationalisation of companies and institutions, by carrying out activities of scientific research, technological development, knowledge transfer and valorisation, human resources qualification and specialised consultancy, based on the core domains of electrical and computer engineering and computer science, with extension to areas where those domains are relevant, such as physics, bioengineering, the environment, management and innovation. -----

**2.** In the pursuit of its purpose, INESC TEC's statutory powers are: -----

**a)** Promote the use of advanced technologies by companies and institutions, raising awareness of their benefits and supporting their implementation, through consultancy, development of solutions, laboratory testing, demonstration and training actions;-----

**b)** Transfer knowledge and innovative solutions to companies supplying technology-based products and services, thus contributing to their evolution and improvement of their offer;---

**c)** Contribute to the training of highly qualified human resources for the labour market, in a perspective of complementarity with higher education institutions, either through their involvement in projects or by supporting the organisation of traineeships, MScs and PhDs integrated with INESC TEC's activities; -----

**d)** Promote knowledge transfer and cooperation between INESC TEC and higher education institutions, by involving lecturers and higher education students in joint projects and activities; -----

**e)** Establish programme contracts with public or private entities, aiming at structured and programmatic medium-term interventions; -----

**f)** Publish the results of research activities to which INESC TEC is dedicated and disseminate scientific and technological culture in its areas of activity; -----

- g)** Exchange scientific and technical knowledge with similar institutions;-----
- h)** Promote debate-oriented initiatives on activities and innovations carried out within the scope of scientific and technological research, such as symposia, seminars, study groups or any other form of collective work; and-----
- i)** Carry out any other activities of scientific nature deemed relevant by the management bodies. -----

## **CHAPTER II**

### **ASSOCIATE MEMBERS**

#### **Article 3**

- 1.** INESC TEC may accept as Associate Members legal persons who, due to their specific competencies, fields of activity and objectives, can make a relevant contribution to the fulfilment of INESC TEC's goals. -----
- 2.** The admission of new Associate Members will take place by a proposal of the Board of Directors, of any associate or at the request of the interested entity, specifying the reasons why they wish to join INESC TEC, and how they will contribute to fulfilling INESC TEC's purposes. -----
- 3.** The founding members are the legal persons who intervened in the act of constitution of INESC Porto, now renamed INESC TEC, namely University of Porto and INESC - Instituto de Engenharia de Sistemas e Computadores (Institute for Systems and Computer Engineering).

#### **Article 4**

- 1.** All Associate Members have the right to: -----
  - a)** Participate and vote at the General Council meetings; -----
  - b)** Elect and be elected for the associative bodies; -----
  - c)** Request the convening of extraordinary meetings of the General Council; -----
  - d)** Examine accounting books, records and documents related to INESC TEC's activities,

thirty days prior to any General Council meeting; -----

**e)** Request from the associative bodies information and clarifications deemed appropriate about the conduct of the Association's activity and, in particular, to be informed of the results achieved in the technical and scientific field or of the studies that INESC TEC is carrying out, always safeguarding their confidentiality;-----

**f)** Receive INESC TEC's publications;-----

**g)** Use, in accordance with the respective regulations, the services that INESC TEC makes available to them; and-----

**h)** Have preferential access to INESC TEC's research and development services, as well as access to the subsequent results, according to the conditions established in specific regulations. -----

**2.** All effective Associate Members have the following duties: -----

**a)** Carefully comply with statutory and regulatory obligations, as well as with deliberations of the associative bodies; -----

**b)** Punctually pay the quotas or contributions that may be fixed by the General Council; -----

**c)** Appoint one or more representatives at the General Council;-----

**d)** Accept the positions for which they are elected, and perform the associative functions entrusted to them;-----

**e)** Collaborate in the activities promoted by INESC TEC. -----

### **Article 5**

**1.** Termination of the membership shall occur when an Associate Member: -----

**a)** Requests it in writing to the Board of Directors; -----

**b)** Is declared insolvent or has been dissolved, or, for any reason, no longer has a legal personality;-----

**c)** Delays the payment of the quotas or contributions determined by the General Council, for

a period of six months or more; -----

**d)** Through their conduct, deliberately contributes to the discredit or damage of the reputation of the Association; and -----

**e)** Repeatedly fails to comply with statutory and regulatory obligations or disobeys the deliberations legally taken by INESC TEC's associative bodies. -----

**2.** The termination of the membership, in the cases referred to in paragraphs a) and b) of number one, shall be declared by the Board of Directors and communicated to the Associate Member or his/her legal representative, by registered letter, establishing the effective date of termination. -----

#### **Article 6**

**1.** Associate members may be subject to the following disciplinary sanctions: -----

**a)** Exclusion, in the cases provided for in paragraphs c) to e) of Article 5; -----

**b)** Censure; and -----

**c)** Suspension of membership rights for up to one year. -----

**2.** The exclusion, which shall be preceded by a hearing of the defaulting member, is always decided by the General Council, by its own initiative or preceding a reasoned proposal from the Board of Directors. The exclusion will only be valid provided that two-thirds of the votes are favourable, and, simultaneously, there is a favourable vote by the majority of the members appointed by University of Porto and INESC, as representatives of the Founding members. -----

**3.** Only the Board of Directors may enforce the sanctions mentioned in paragraphs b) and c), as a result of a hearing of the defaulting member or his/her legal representative. -----

**4.** The Board shall provide written notice of any disciplinary action. The Associate Member may appeal against the decision of the Board of Directors at the first General Council meeting after that notification. -----

**CHAPTER III**

**ASSOCIATIVE BODIES**

**SECTION I**

**GENERAL PROVISIONS**

**Article 7**

1. INESC TEC shall be governed by the following bodies:-----
  - a) The General Council;-----
  - b) The Board of Directors; -----
  - c) The Audit Committee;-----
  - d) The Scientific Council;-----
  - e) The Scientific Advisory Board; and -----
  - f) The Business Advisory Board. -----
2. The members of the General Council Bureau, the Board of Directors and the Audit Committee are elected by the General Council, for a three-year term, with re-election being permitted one or more times. -----
3. The elected members for the bodies referred to in the previous number shall take office before the President of the General Council Bureau, immediately after the election. The outgoing or resigning members remain in office until the said election takes place.-----
4. The supervision of the activity of other associative INESC TEC bodies, as well as of the association's activities and businesses, regarding their compliance with the law and the present statutes, shall be carried out by the Audit Committee. -----
5. The internal monitoring, guidance and evaluation of scientific and technical activities shall be carried out by the internal Scientific Council, consisting of PhD researchers who participate permanently in INESC TEC's activities.-----
6. The external monitoring, guidance and evaluation of scientific activities shall be carried

out by the Scientific Advisory Board, composed of external researchers, some of which must be foreigners or carry out their activity abroad. -----

**7.** The external monitoring, guidance and evaluation of innovation and technology transfer activities shall be carried out by the Business Advisory Board, in which the economic sectors relevant to INESC TEC's activities must be represented. -----

**8.** The members of the Scientific Council, the Scientific Advisory Board and the Business Advisory Board are elected by the General Council, upon a proposal of the Board of Directors, for a five-year term, with re-election being permitted one or more times. -----

## **SECTION II**

### **GENERAL COUNCIL**

#### **Article 8**

**1.** The General Council is composed of members appointed by the Associate Members, reflecting upon their relative contribution to the associative patrimony, the number of which may vary in case of admission of new Associate Members, each member having the right to one vote. -----

**2.** The number of votes corresponding to the founding members as a whole shall not be less than half of the total votes plus one. -----

**3.** The deliberations of the General Council shall be sovereign and limited only by the mandatory legal provisions and the present statutes. -----

#### **Article 9**

**1.** The General Council is led by a Bureau composed of a President and two secretaries, elected from amongst the members of the General Council. -----

**2.** The President of the General Council Bureau is in charge of directing the sessions' agenda. -----

**3.** The first secretary shall assist the President and replace him/her in case of absences or

impediments. In the absence of the second secretary, the first secretary shall also be responsible for drafting the meetings' minutes. -----

**4.** The second secretary shall be responsible for drafting the meetings' minutes. -----

**Article 10**

**1.** The General Council shall meet in ordinary or extraordinary sessions. -----

**2.** The General Council shall meet in ordinary sessions twice a year: once to discuss and vote on the Management Report and Annual Financial Statements and the opinion of the Audit Committee regarding the previous fiscal year; and another to approve the plan and budget for the following year. -----

**3.** The General Council shall meet in extraordinary sessions whenever convened by the Bureau, the President or upon request of any Associate Member, the Board of Directors or the Audit Committee.-----

**Article 11**

**1.** The convening of General Council meetings shall be made by a letter indicating the date, time and place of the meeting and the respective proposed agenda.-----

**2.** These letters shall be sent at least eight days in advance. -----

**Article 12**

**1.** To ensure the legitimacy of the mandate, the representation of a member of the General Council by another member is admissible, and for this purpose, a simple letter from the represented member addressed to the President of the Bureau is sufficient. -----

**2.** All decisions, except where provided otherwise in law and statutes, shall be taken by an absolute majority of the votes cast. -----

**3.** In the event of a tie, the President of the Bureau shall have the casting vote.-----

**Article 13**

**1.** The General Council may not deliberate, on the first convening, without the presence of

representatives of at least half of the Associate Members in full enjoyment of their associative rights, and provided that they represent at least half of the total votes. -----

**2.** In a second convening, which may not take place at least eight days after the first one, the General Council may deliberate with any number of members. -----

#### **Article 14**

**1.** It is the General Council's competence to: -----

**a)** Elect and dismiss the General Council Bureau, the Board of Directors and the Audit Committee. -----

**b)** Elect the members of the Scientific Council, the Scientific Advisory Board and the Business Advisory Board; -----

**c)** Review and vote on the report and accounts, taking into account the opinion of the Audit Committee; -----

**d)** Assess and vote on the annual and/or multiannual investment plans, annual budget and supplementary budgets, if any, as well as the activity plan, considering the opinion of the Scientific Council; -----

**e)** Deliberate on the admission of new Associate Members; -----

**f)** Deliberate on the exclusion of Associate Members according to Articles 5 and 6, and on any appeals received as per paragraph 4 of Article 6; -----

**g)** Authorise INESC TEC to take legal proceedings against the members of the Board of Directors for acts committed in the performance of their duties, which adversely affected the interests of the Association; -----

**h)** Amend or reword the statutes, in accordance with Article 28; -----

**i)** Approve and interpret INESC TEC's internal regulations, secure the compliance therewith, and amend them whenever any omissions are detected; -----

**j)** Deliberate on the constitution, affiliation, adhesion, association or participation projects in

the bodies referred to in paragraph 3 of Article 1;-----

**k)** Decide on the acceptance of grants, donations or legacies; and-----

**l)** Deliberate on the dissolution of INESC TEC. -----

**2.** The General Council shall also decide on changes of its composition, by a qualified majority of two-thirds of the votes cast and, simultaneously, with the favourable vote of the majority of members appointed by the University of Porto and INESC, as representatives of the founding members. -----

### **SECTION III**

#### **BOARD OF DIRECTORS**

##### **Article 15**

**1.** The Board of Directors is responsible for the management of INESC TEC.-----

**2.** The Board of Directors shall consist of a minimum of five and a maximum of nine members, elected by the General Council, after consulting the Scientific Council. -----

**3.** The elected Board of Directors may adopt the internal organisation it sees fit, namely by creating an Executive Board composed of a minimum of three and a maximum of five members of the Board of Directors. The Chairperson of the Board may coincide or not with the Chief Executive Officer. -----

**4.** The Board of Directors shall be chaired by an element designated by the General Council when the said body is elected. -----

**5.** Should a vacancy occur on the Board of Directors, it shall be filled by co-optation of the said body within sixty days, with the members of the General Council being immediately informed, and submitted for ratification at the first meeting of this body immediately thereafter. -----

**6.** The vacancy of two or more seats in the elected Board of Directors will determine the convening of a General Council meeting to be held, at the latest, within thirty days after the

occurrence.-----

**Article 16**

1. The Board of Directors shall hold ordinary meetings once a month, and extraordinary ones whenever convened by its President or at the request of the Audit Committee. -----
2. All decisions of the Board of Directors shall be taken by a majority of the votes cast, with the President having the casting vote in the event of a tie. -----

**Article 17**

1. The Board of Directors is responsible for exercising all the necessary powers for the proper conduct of the management of INESC TEC's activities, and, in particular, the following: -----
  - a) Draft the strategic plan to be presented annually at the General Council; -----
  - b) Draft the activity plan and establish the budget to be presented annually to the General Council;-----
  - c) Draw up the annual report and accounts of the financial year to be submitted to the General Council, and any other documents of a similar nature that may be necessary for the prudent economic and financial management of the Association, ensuring the proper order of bookkeeping;-----
  - d) Propose to the General Council the participation of INESC TEC in large-scale programmes, which entail strategic options and/or the allocation of significant financial or human resources;-----
  - e) Manage the Association's assets and direct its activity, being able, for that purpose, to hire staff and employees, set the respective working conditions and exercise the respective disciplinary power;-----
  - f) Decide on the direction of the research activities/services to be carried out for third parties, and on the publication of the results arising from the scientific and technical

activities of INESC TEC; -----

**g)** Elaborate internal regulations; -----

**h)** Represent the Association, before courts or any other institutions/bodies, actively and passively; -----

**i)** Request the convening of the General Council; -----

**j)** Dispose of the Association's assets pursuant to the decisions taken by the General Council, requiring, in case of disposal of real estate, both the favourable votes of the majority of the members designated by the University of Porto and the majority of the members designated by INESC, in the quality of representatives of the Founding members; and -----

**k)** Exercise all powers established by law and the present statutes.-----

**2.** Should there be an Executive Committee, the Board of Directors shall delegate to it some of the powers provided for in paragraphs e), f), g) and h) of the previous number, and others that it may come to define, as well as its operating model. -----

**3.** INESC TEC is bound by the joint signatures of the Chairperson of the Board or of the Chief Executive Officer, if there is an Executive Board, and of one or three other members of the Board of Directors, at least one of whom must be a member of the Executive Board, if there is one, as well as by the signature of a single representative with powers for a given act or for certain kinds of acts.-----

**4.** The Board of Directors or the Executive Board, if there is one, may delegate powers to employees, so they can perform mere expedient management acts, which, by their nature, do not legally and externally bind the Association. -----

## **SECTION IV**

### **AUDIT COMMITTEE**

#### **Article 18**

1. The Audit Committee shall consist of three members, one of whom is President, and shall include a statutory auditor or a statutory audit firm. -----
2. The Audit Committee shall examine INESC TEC's accounts and draw up a report with such examination, which shall be submitted to the General Council. -----
3. The Audit Committee has the right to examine all the accounting books and bookkeeping documents, which the Board of Directors shall provide access to upon request. -----

## **SECTION V**

### **SCIENTIFIC COUNCIL, SCIENTIFIC ADVISORY BOARD AND BUSINESS ADVISORY**

#### **BOARD**

##### **Article 19**

1. The Scientific Council is an advisory body composed of a number of representatives of the PhD researchers of INESC TEC. -----
2. The Scientific Advisory Board is an advisory body composed of external researchers representing all scientific areas of INESC TEC. -----
3. The Business Advisory Board is an advisory body composed of personalities of recognized competence in the economic sectors relevant to INESC TEC's activities. -----
4. The Scientific Council shall ordinarily meet at least twice a year, while the Scientific Advisory Board and the Business Advisory Board shall ordinarily meet at least once a year, and extraordinarily whenever necessary, as convened by the respective Presidents. -----
5. The guiding principles and operating mode of the Scientific Council, the Scientific Advisory Board and the Business Advisory Board, as well as the creation, composition and governance of intermediate structures, shall be subject to specific regulations, to be approved by said bodies. -----

##### **Article 20**

1. It is the Scientific Council's competence to:-----

- a)** Issue an opinion on INESC TEC's budget, activity plan and annual activity report; -----
  - b)** Issue an opinion on the research projects received, namely on their compliance with INESC TEC's purposes, as well as with the institutions that established agreements with INESC TEC for the provision of human and material resources, under the terms provided for in Article 23; -----
  - c)** Issue an opinion on any matter that the Board of Directors may wish to submit to its appreciation; -----
  - d)** Pronounce on the names proposed to hold office at the Board of Directors; -----
  - e)** Pronounce on the general organisation of INESC TEC's scientific activities; -----
  - f)** Draw up its own Regulations; -----
  - g)** Analyse and discuss the institution's scientific policy, and make proposals to the Board of Directors in this regard; -----
  - h)** Monitor scientific activity and production, and make proposals to the Board of Directors in this regard; -----
  - i)** Present proposals to the Board of Directors, within the scope of its powers, on any aspects related to the activities of INESC TEC; -----
  - j)** Perform other scientific management functions that may be assigned by the Board of Directors or by the General Council. -----
- 2.** The Scientific Council may function on narrower scientific committees and delegate in them the powers provided for in paragraphs b) and h) of the previous number, under the terms provided for in the respective regulations. -----
- 3.** The Scientific Advisory Board shall regularly assess INESC TEC's overall operations and issue an opinion on INESC TEC's activity plans and activity reports. -----
- 4.** The Business Advisory Board shall comment and make proposals on INESC TEC's business liaison activities, namely in the fields of innovation, technology transfer and

training of human resources for the labour market, as well as on any similar matters submitted to it by the Board of Directors, safeguarding the institutional confidentiality and respect for competition rules. -----

**5.** The Board of Directors shall replace the members of the advisory bodies who resign from their positions, or who, for any other reason, cease their duties; and immediately inform the members of the General Council of all changes made and submit them for ratification at the first meeting of this body immediately thereafter. -----

## **CHAPTER IV**

### **OPERATION**

#### **Article 21**

INESC TEC's activities shall be governed by the present statutes, general civil law and internal regulations that may be adopted in the exercise of statutory powers. -----

#### **Article 22**

In carrying out its activities, INESC TEC shall abide by the following organisational principles: -----

- a)** Regular and independent scientific, technical and financial monitoring and evaluation; ----
- b)** Dissemination of scientific and technological culture; -----
- c)** Optimisation of available resources. -----

#### **Article 23**

**1.** To guarantee its normal functioning, INESC TEC will conclude agreements with the Associate Members to ensure the human and material resources it needs for the pursuit of its associative purposes. -----

**2.** INESC TEC may also conclude other types of agreements with other institutions for the pursuit of its associative purposes. -----

**3.** INESC TEC shall create the necessary conditions so that the activities carried out by the

human resources that are made available to it under the terms of the previous numbers are appropriate to the nature, dignity and duties of the associate member institutions. -----

**4.** INESC TEC shall also ensure that the human resources made available under the terms of the previous numbers are publicly identified, namely in the explanation of the authorship of scientific articles, as researchers or professors of the associate member institutions, and as researchers of INESC TEC, whenever they act in that capacity. -----

**5.** INESC TEC shall use the buildings, facilities, laboratories and equipment that may be essential to its normal functioning, made available to it by the Associate Members under the terms of the respective agreements. -----

#### **Article 24**

The results of the research activities carried out by INESC TEC and the rights associated with them are inalienable, without prejudice, however, to the formally agreed commitments.-

#### **Article 25**

The contracts or agreements concluded by INESC TEC with Associate Members or third parties will be written down, and must comply with the applicable statutory and regulatory provisions.-----

### **CHAPTER V**

#### **FINANCES**

#### **Article 26**

**1.** INESC TEC's expenses shall be borne by its common revenue, which consists of: -----

**a)** Membership Quotas or regular contributions of the Associate Members, as decided by the General Council, by unanimity of the votes cast; -----

**b)** Revenues from contracts to be concluded with third parties within the scope of its activities; -----

**c)** Remuneration from intellectual property; -----

**d)** Funding from scientific research and technological development projects in which INESC TEC is involved. -----

**2.** Extraordinary revenues shall consist of: -----

**a)** Awarded Grants; and-----

**b)** Any other revenue, such as donations, legacies or other proceeds accepted by INESC TEC. -----

**Article 27**

**1.** The nominal associative patrimony of INESC TEC consists of the contributions of the Associate Members made expressly for this purpose, and as such accounted for, according to the deliberation of the General Council. -----

**2.** The General Council may approve the constitution of funds allocated for pursuing specific statutory purposes, which may benefit from external financial contributions. -----

**CHAPTER VI**

**AMENDMENT OF THE STATUTES**

**Article 28**

**1.** Amendments to the present statutes shall only be adopted by the General Council in an extraordinary general meeting, expressly convened for that purpose. -----

**2.** For this purpose, the General Council may only act, on the first convening, when all members are present or represented. On a second convening, which shall not take place before fifteen days have elapsed since the first convening, the General Council may act with any number of members. -----

**3.** Decisions of the General Council regarding the amendment of these statutes shall only be valid if taken by a qualified majority of three-quarters of the number of present members.----

**CHAPTER VII**

**DISSOLUTION**

#### **Article 29**

1. INESC TEC may be dissolved by a favourable decision of the General Council, especially convened for that purpose.-----

2. Article 28 applies to the matter of dissolution; however, a double qualified majority of three-quarters of the votes and of the Associate Members is required.-----

#### **Article 30**

Once the dissolution of INESC TEC is deliberated, the General Council must immediately appoint a liquidation committee, define its statute and indicate the destination to be given to the existing net assets, if any, with respect to the Associate Members' relative position, expressed by the value of their respective contributions, without prejudice to Article 166 of the Portuguese Civil Code, in regard to goods given/donated or left to the Association with any charge or allocation to a specific purpose. -----

### **CHAPTER VIII**

#### **TRANSITIONAL PROVISIONS**

#### **Article 31**

1. At the first ordinary meeting after the date of publication of this amendment to the present statutes, the General Council shall proceed with the management and audit bodies' election.-----

2. The current Direction is constituted as Board of Directors, from the date of publication of the amendment to the statutes, until the election referred to in the previous number. -----

#### **Article 32**

Within a maximum period of eighteen months, the Board of Directors will submit to the General Council's approval, a proposal for the composition of the Business Advisory Board, provided for in paragraph f) of number one and number eight of Article 7. -----