

## **Bylaws of “The European Liquid Biopsy Society” Network**

between the Project Partners listed below<sup>1</sup>

**Universitätsklinikum Hamburg-Eppendorf, KdöR  
represented by its Board of Management  
with its implementing Institute for Tumor Biology  
Institute Director Prof. Klaus Pantel  
Martinistraße 52, 20246 Hamburg**

and

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and

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and

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and

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- referred to hereinafter, jointly or individually, as “**Project Partners**” or “**Project Partner**” -  
with reference to the network named

**“The European Liquid Biopsy Society”**

- referred to hereinafter as “**Network**” -

### **Preamble**

The purpose of this association of the Project Partners is to support scientific and technical exchange as well as the transfer of developments from the “Liquid Biopsy” field in cancer diagnostics into the clinical routine application and to create an international network. Liquid Biopsy, as a minimally invasive diagnostic technique, includes tests on blood, bone marrow, urine, stool, liquor, bronchoalveolar lavage and pleural fluid as well as on cells and cell-free components isolated from these materials (e.g. exosomes, cell-free nucleic acids, thrombocytes). The areas of application of Liquid Biopsy are, among others, cancer diagnostics, pre-natal diagnostics, transplantation medicine and the diagnosis of infectious diseases “The European Liquid Biopsy Society” Network is being developed from the current EU IMI “Cancer ID” project (2015-2020) to further strengthen the Liquid Biopsy concept. The Network is intended to have a domestic and international orientation and to promote exchanges

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<sup>1</sup> To simplify the following text and make it easier to read, only the masculine form is used.

between academic, industrial and clinical sectors as well as the health care system. The network is further intended to promote the development of standardized guidelines and training in the field of “Liquid Biopsy” for physicians and researchers in related disciplines. The network, including third parties, is also launching public relations campaigns on the subject of “Liquid Biopsy”, for example by sponsoring symposiums, presentations and press releases.

## **§1 Definitions**

**Network** means the association of the Project Partners in accordance with these bylaws.

**Project Partners** are all independent legal entities or individuals that belong to the network, including the Chairman of the Network.

**Founding Partners** are those Project Partners who were significantly involved in the initiation of the project and are identified as Founding Partners by these Bylaws.

**Chairman** means the Project Partner that is responsible for the coordination of the network.

The **Advisory Board** consists of up to four members among the Project Partners and supports the Chairman as necessary in the performance of its tasks.

**Third Parties** are all legal entities or individuals that are not members of the Network.

**Bylaws** means these bylaws agreed to by the Project Partners and that govern the promotion of the Network.

## **§ 2 Subject of the Bylaws**

The subject of these Bylaws is the legal constitution of the collaboration of the Project Partners for the purpose of the joint implementation of the “The European Liquid Biopsy Society” Network in accordance with the provisions of these Bylaws. In this regard, the fundamental mutual rights and obligations are defined below.

## **§ 3 Life and disbanding of the Network**

The Network is created upon the execution of the Bylaws by the Project Partners and shall be disbanded without the need for formal cancellation after a period of four years. The Project Partners shall decide on a potential extension of the Network one year before the expiration of the four-year period.

The Network shall be disbanded prematurely if a three-quarters majority of the Project Partners present resolve to disband the Network.

## **§ 4 Composition of the Network**

The Network shall be composed as follows:

1. The Network has a Chairman. The Chairman's term of office is ten years. For the first ten years of the Network the Universitätsklinikum Hamburg-Eppendorf shall assume the role of Chairman. Thereafter, the Chairman shall be elected by the Project Partners by a three-quarters majority of the Project Partners Present. The Chairman can be re-elected;

2. The Network has an Advisory Board. The Advisory Board consists of up to four Project Partners.

The task of the Advisory Board, in cooperation with the Chairman, is to prepare content-related proposals for the "The European Liquid Biopsy Society" Network, develop ideas, propose new Project Partners and support the Chairman in the performance of its tasks. The composition of the Advisory Board shall be decided by a simple majority of the Project Partners Present. The members of the Advisory Board shall be elected for a term of four years; members may be dismissed at any time by a two-thirds majority vote of the Project Partners present. More than four Project Partners may be appointed to the Advisory Board by a two-thirds majority of the Project Partners present.

## **§ 5 Contact Partners**

In **Annex A**, the Project Partners shall indicate their respective contact partners as well as their function in the framework of the Project. The Chairman and the Network must be notified of changes in the identity of the Contact Partners promptly and in writing, with an indication of the reason for the change.

## **§ 6 Mutual rights and obligations of the Project Partners**

The Project Partners can draft internal operating regulations in which cooperation among them is defined in further detail. These internal operating regulations shall be drafted jointly and approved by the Network. Working groups may also be formed to draft procedural rules if such rules are considered necessary. The regulations and the procedural rules may not contradict any of the basic principles and regulations established in these Bylaws.

## **§ 7 Organizational form, conclusion of agreements**

7.1 The Network is not externally recognizable as a partnership in relation to third parties and therefore is not a company constituted under civil law [Außen-GbR]. The Project Partners agree that it shall not pursue any joint purpose beyond the implementation of cooperation and therefore the cooperative association established by these bylaws does not represent a company constituted under civil law [Gesellschaft bürgerlichen Rechts (GbR)]. The Project Partners shall refrain from any activities or legal transactions that might give the impression of the existence of a company constituted under civil law. If nevertheless, contrary to the express intent of the Project Partners, as a result of any action by the cooperative association or one of the Project Partners, the existence of a company constituted under civil law is assumed in relation to third parties, the Project Partners agree that the rules concerning a company constituted under civil law shall not be applied in their internal relationship, in particular for purposes of §§ 705 et seq. of the German Civil Code. Any legal transaction to be undertaken with respect to third parties or even individually among the Project Partners cannot be carried out in the name of or for the account of the Network or one of the other Project Partners. Any performance or commissioning of a service as well as all other measures related thereto shall be carried out by each Project Partner on its own responsibility.

- 7.2 Any legal transaction necessary for the objectives and tasks of the Project shall be entered into by the Chairman or one of the Project Partners independently.
- 7.3 The Network shall pursue no economic interests. The sole purpose of the association is the promotion of science and research.

## **§ 8 Cooperation agreements**

Within the Network, additional cooperation agreements may be entered into between two or more Project Partners and may also include third parties. The consent of the other Project Partners or the Chairman is not required for the above cooperation agreements.

## **§ 9 Contribution by Project Partners to administrative costs and payment terms**

- 9.1 An appropriate contribution to administrative costs shall be paid annually by the individual Project Partners to finance the project.

The amount of this contribution to administrative costs shall be determined as follows:

Enterprise (excluding SME):	€10,000/year
Enterprise SME:	€5,000/year
Universities or Research Organizations:	€1,000/year

- 9.2 The management and distribution of the contributions to administrative costs shall be handled exclusively by the current Chairman with assistance from the Advisory Board. The contributions to administrative costs shall be paid to a separate account opened exclusively for this purpose.
- 9.3 A change in the amount of the contributions can be approved by a two-thirds majority of the Project Partners present.
- 9.4 The funds shall be used to create an international Network that supports scientific and technical exchanges as well as the transfer of research developments from the field of Liquid Biopsy into the field of clinical applications. The funds shall be used primarily for:
- Personnel costs for the Network's Project Coordinators and in particular to support the Chairman
  - Organization and arrangement of Network meetings
  - Administrative costs (that exceed the overhead expenses identified below)
  - Creation and maintenance of an internet presence
  - Press releases
  - Arranging meetings, seminars, workshops, informational events and congresses on the subject of Liquid Biopsy
  - Training for different groups of people, e.g. students or researchers in the field of Liquid Biopsy

- Support for research projects on the implementation of Liquid Biopsy in a clinical environment.

The Chairman shall receive 10% of the total contributions to administrative costs from the members to cover administrative expenses and the use of the Chairman's organization's infrastructure. This percentage can be deducted annually by the Chairman without the need to submit individual vouchers or documentation.

- 9.5 The contribution is due each year at the beginning of the year. Members can join for a six-month period effective January 1 and June 1 of the respective year. Members who join effective June 1 shall pay only half the annual contribution for the year in which they join. If a Project Partner leaves the Network in mid-year, the contribution to Network expenses shall not be refunded regardless of the reason for its departure.

### **§ 10 Network**

- 10.1 All the Project Partners, including the Chairman, form a Network that shall make decisions jointly. The Network shall meet at regular intervals but at least once a year.
- 10.2 The Chairman shall be responsible for convening meetings and leading the Network.
- 10.3 The meeting notice and the agenda for the meeting shall be sent to the Project Partners if possible at least 21 days before the scheduled date of the meeting. The location of the respective meeting shall be determined in the preceding meeting.
- 10.4 Extraordinary meetings of the Network can be convened at the request of two Project Partners.
- 10.5 Minutes of the meeting shall be kept by the Chairman. The minutes shall be sent to all Project Partners via email. Objections/requested changes to the meeting minutes must be reported to the Chairman via email within two weeks. If no objections or changes are requested, the Minutes shall be considered to have been approved at the end of a two-week period.
- 10.6 The Network has a quorum if at least half of the Project Partners are present. Resolutions shall be adopted by a simple majority of the votes cast by the Project Partners present, unless a different majority requirement is stipulated elsewhere in these by-laws. Each Project Partner shall have one vote. Another Project Partner can be issued a proxy to cast a member's vote. In the event of a tie, the Chairman shall cast the deciding vote.
- 10.7 Resolutions can also be adopted by a circular consultation via email, fax or telephone conference if Project Partners have expressed their approval of this form for the adoption of the resolution.
- 10.8 Each Project Partner can designate a representative and transfer its voting right to this representative. Written notification of the replacement of a person authorized to represent a member must be sent to the other Project Partners.
- 10.9 The Network shall be responsible for the following tasks:
- 10.9.1 The Network shall be responsible for adopting a resolution on the expulsion or admission of the Project Partner as well as the expulsion, discharge or appointment of the Chairman as stipulated in §12 of these Bylaws. The Project

Partner in question shall not be entitled to vote in the resolution on its expulsion.

10.9.2 The Network shall be responsible for the discharge of the current Chairman with regard to its proper administration of the contributions to administrative costs within the meaning of § 9 of these Bylaws.

10.9.3 The Network may also adopt all resolutions on matters that have or may have a significant impact on the Network. For this purpose, the Network can also assume additional tasks and responsibilities.

### **§ 11 Rights and Obligations of the Chairman**

11.1 The Chairman shall perform the functions listed below:

11.1.1 Coordination and communication among the Project Partners, in particular regarding planned publications,

11.1.2 Drafting and distribution of minutes of Network meetings,

11.1.3 Coordination and distribution of all project-related documents and information within the Network,

11.1.4 Cooperation with the Network and implementation of its resolutions,

11.1.5 Administration and distribution of the contributions to administrative costs; annual presentation to the Network of accounts concerning the contributions to administrative costs.

11.2 The Chairman is entitled to receive current information from all Project Partners on aspects of importance for the Network.

### **§ 12 Admission, departure and expulsion of Project Partners or of the Chairman**

12.1 New Project Partners shall be admitted by a resolution of the Project Partners concerning the admission of the new Project Partner and by the execution of a Membership Agreement which shall be entered into between the incoming Project Partner and the current Chairman as a representative of the Project Partners. The Membership Agreement is attached to these bylaws as **Annex B**. The new Project Partner shall become a member of the Network upon execution of the Membership Agreement and a ratifying resolution of the Project Partners and the rules laid down in these bylaws shall apply to the new member immediately.

12.2 The Project Partners, acting by consensus, can resolve to immediately expel a Project Partner or the Chairman if one of the situations cited in No. 12.3 below exists. If a resolution to expel a Project Partner is adopted, the Chairman shall immediately so inform the expelled Project Partner.

12.3 The Project Partners can pronounce the expulsion of a member by observing a 30-day advance notice if:

- 12.3.1 The Project Partner/Chairman has repeatedly or seriously breached the terms of these Bylaws and has not brought itself into compliance in spite of written notice and the granting of a suitable period to comply;
- 12.3.2 The Project Partner/Chairman, in spite of a written warning and the granting of a suitable period to comply, has not fulfilled its obligations or not fulfilled them in a timely manner.
- 12.3.3 There is reason to believe that a Project Partner/Chairman is unlikely to resume compliance with these Bylaws.
- 12.4 As a result of the expulsion, the Project Partner is no longer a member of the Network.
- 12.5 The Project Partners may exit the Network by cancellation without notice.
- 12.6 In the event of expulsion or departure, the annual contribution within the meaning of § 9 shall not be refunded (in this regard see § 9.5).
- 12.7 Obligations that survive the end of the relationship under these Bylaws (e.g. confidentiality, publications etc.) also remain in force in the event of an expulsion.
- 12.8 In the event of the expulsion of a Project Partner or the Chairman, these Bylaws shall remain in force among the other Project Partners.
- 12.9 Except for an expulsion of the Chairman for the reasons set forth in No. 12.3, a Project Partner's position as Chairman ends after four years. The current Chairman shall continue to oversee the business of the Network until a new election is held by the Network. The Chairman is eligible for re-election. The Chairman may also resign the office before the expiration of its current term.
- 12.10 In the event of a change of the chairmanship, the administrative contributions in hand (§ 9 of these Bylaws) shall be transferred, after a presentation of the accounting and a discharge of the previous Chairman, to the new Chairman, who must use these contributions in accordance with these Bylaws and for the purpose of the Network for the performance of its tasks.

### **§ 13 Research projects**

- 13.1 Each Project Partner is free to apply, either alone or jointly with other Project Partners and/or third parties, for research projects or projects funded by third parties.
- 13.2 Each research project must be the subject of a separate contractual agreement among the respective participating Project Partners.
- 13.3 Project Partners shall have no claim to inclusion in a research project, a project funded by a third party or applications for third-party funds.

### **§ 15 Presentation of the Network in the media**

The individual Project Partners are free to publicly disclose their membership in the Network (reference to the homepage etc.). Other public relations measures are permitted only with prior written consent from the Network. In the framework of external public relations activities, the Project Partners must ensure that it is apparent to third parties that the Project Partners are independent legal entities, while “The European Liquid Biopsy Society” is only a network that does not have its own legal personality.

## **§ 16 Confidentiality obligation**

- 16.1 The Project Partners must keep all knowledge, know-how, data and information, documents, analyses, technical specifications etc. exchanged in the framework of the Network (“Secret Information”) secret. Secret Information is information that is identified as such orally or in writing, or the confidentiality of which is apparent under the circumstances. This obligation applies to any “Secret Information” that was contributed to the project, resulted from the project or became accessible in the framework of the execution of the project. All knowledge and ideas that are not used or accessed during the Project must also be treated as “Secret Information.”
- 16.2 This confidentiality obligation includes in particular the obligation not to use Secret Information in any manner without the express prior consent of the other Project Partners and of the Chairman for purposes other than those set forth in these Bylaws, and to disclose it only to those persons who require it for the accomplishment of the purposes set forth in these Bylaws.
- 16.3 The obligation to keep confidential the Secret Information that the Project Partners disclose to one another in the implementation of these Bylaws or that was identified in the course of the Project shall survive the life of these Bylaws by a period of 5 years. Any longer confidentiality obligation imposed by law or a bilateral agreement between the individual Project members remains unaffected by this Agreement.
- 16.4 The following is not considered confidential information:
  - 16.4.1 Information that was in the public domain at the time of the execution of these Bylaws,
  - 16.4.2 Information that entered the public domain at a later date but not as a result of a breach of this Confidentiality Agreement,
  - 16.4.3 Information the recipient can prove to have been in its possession prior to the conclusion of these Bylaws,
  - 16.4.4 Or that was received from a third party that was authorized to disclose the Information,
  - 16.4.5 Disclosure of which is required on the basis of a legal obligation,
  - 16.4.6 Or with regard to which the Project Partners agree in writing that it will not be classified confidential.

## **§ 17 Data protection**



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The Project Partners shall ensure compliance with the requirements of applicable data protection laws and regulations.

### **§ 18 Liability**

The Network established by these Bylaws is not externally recognizable as a partnership in relation to third parties and therefore is not a company constituted under civil law pursuant to § 7 of these Bylaws.

Any performance or commissioning of a service as well as all other measures related thereto shall be carried out by each Project Partner on its own responsibility. Each Project Partner shall be individually liable to third parties in its external affairs; the Project Partners have no joint and several liability.

Otherwise, liability is as required by law.

### **§ 19 Termination of the Network**

19.1 These Bylaws enter into force when they have been signed by all Project Partners and expire without the need for formal notice at the end of four years. The Project Partners shall decide on a potential extension of the Network one year before the expiration of the four-year period.

The Network shall be terminated prematurely if a three-quarters majority of the Project Partners present resolve to disband the Network.

19.2 Individual Project Partners can cancel their membership in the Network without notice at any time. Notice of cancellation requires written form.

### **§ 20 Compliance**

The Project Partners must comply with all applicable laws, regulations and official requirements including all anti-corruption legislation.

### **§ 21 Jurisdiction**

All disputes arising from and in connection with this Network and these Bylaws shall be submitted to the court in Hamburg having material and territorial jurisdiction.

### **§ 22 Applicable law**

These Bylaws shall be read and construed in accordance with German law.

## § 23 Final Provisions

- 23.1 If individual provisions of these Bylaws are or become legally invalid or unenforceable, the validity and enforceability of the remaining provisions of these Bylaws shall not be affected thereby. The invalid or unenforceable provisions shall be replaced by a provision that, in the framework of what is legally possible, comes as close as possible to the original intent of the Project Partners and the economic effects of which correspond most closely to those of the invalid or unenforceable provision. This procedure shall also be followed to cure any gap in the Bylaws.
- 23.2 These Bylaws contain all the agreements among the community of the Project Partners. No side agreements have been entered into.
- 23.3 The Project Partners agree to collaborate in a spirit of trust and cooperation and refrain from all actions that might adversely affect the interests of their cooperative association.
- 23.4 Amendments or additions to these Bylaws require written form to be valid and enforceable. This requirement also applies for a waiver of the requirement for written form.
- 23.5 Each party shall bear its own consulting and legal costs in connection with the drafting and negotiation of these Bylaws.

Exhibits:

### Membership Agreement

**Annex A.** List of contact partners for each Project Partner

**Annex B:** Sample Membership Agreement for new Project Partners

Signature page (for the Founding Partners)

For the Universitätsklinikum Hamburg-Eppendorf, KdöR (UKE)  
- Network Chairman -

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Prof. Dr. Dr. Uwe Koch-Gromus  
(Comm.)

Dekan

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Martina Saurin, Commercial Director

UKE

For implementation:

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Prof. Dr. Klaus Pantel  
Director of the Institute for Tumor Biology  
UKE