

# Articles of Association

## Name and legal base

*The Business Machine Europe* is a non-profit association in accordance with the Swiss Civil Code Art. 60 - 79. Its seat is in Switzerland at the address of its current president or of another member of the board. The association's financial year corresponds to the European year (January to December). The association is politically and confessionally neutral and does not make profits with its activities.

## Purpose of the Association

*The Business Machine Europe* wants to make this world a better, more equal place by assisting people in the economically less developed societies and namely in Ethiopia to bring progress to their countries. Contrary to other initiatives, it wants to focus on economic development based on private initiative.

Its most important principles are (social) entrepreneurship and cooperation between persons or associations on the same eye level.

In the long run *The Business Machine Europe* wants to create model projects showing new ways of development cooperation between Europe and economically less developed countries. It wants to be a model for social entrepreneurship and economic cooperation between countries of the North and the South.

In accordance with the law, major changes of the purpose of the association require the agreement of all the members.

## Activities

The Business Machine Europe carries out the following activities (non exhausting list):

- Networking: bringing together the right people and create action groups and business projects
- Knowledge transfer: add (voluntary) experts from Europe to projects in Ethiopia in order to improve the quality and chances for success
- Assistance: Counselling of organisations in Ethiopia or potential partners in Europe namely when it comes to questions of management, how to start businesses in Ethiopia etc.
- Finding capital: Assistance in putting potential donors or investors in contact with the projects or search initial capital

In principle, the activities of *The Business Machine Europe* are based on voluntary work of its members. The functions carried out for example by the members of the board, are unpaid, honorary posts. However, expenses related to the association's activities shall be covered upon presentation of the corresponding receipts. For special projects and given that funds are available, the association can employ people from outside or members in order to carry out the given work.

Even though promoting economic activities, the association does usually not involve itself directly in the business projects it facilitates. If however, in exceptional cases, the association's funds are used directly in projects, it has to be done in a way to assure that the association is not making any profit out of this "investment" (for example loan free of interests).

Members can involve in the supported business, yet they do it as private person and not in the name of the association.

## Membership

Every person older than 18 years who approves the principles and activities of the association can become a member of it.

The final decision about the admission is taken by the General Assembly. Until the decision is taken, the new member has the status of temporary membership (no right of vote at the General Assembly). The final admission is decided by the General Assembly with simple majority of votes of the present members.

The association has two distinct membership statuses:

- Active members are part of working groups or actively involved in the association's structures, for example the board.
- Passive members do not execute any major work for the association, but want to support the activities ideationally or financially (membership fee).

Every member has the right to leave the association after written notice of 1 month.

### **Financial means**

*The Business Machine Europe* collects membership fees once in a year. The maximum of the membership fee is 200 Swiss Franks per year. For members any personal financial liability beyond this amount is excluded.

The exact amount of the membership fee is decided by the General Assembly. It is not possible to decide an increase of the fee retro-actively. After the announcement of the new fees, every member can cancel its membership with one month notice.

Furthermore, the association can accept funds, namely from private donors, foundations or governmental institutions in order to finance its activities.

The association's means can only be used for the activities specified under the corresponding paragraph above.

### **Bodies of the Association**

#### General Assembly

The General Assembly is the association's supreme organ in charge of any strategic decisions. It is responsible for the controlling of the other organs and can override decisions take by the Board.

Every member has one vote, the General Assembly decides with the majority of all the present members. For elections: If there is no absolute majority in the first ballot, a second ballot has to be held in which the relative majority shall be decisive.

If less than one third of the members are represented, all the decisions taken remain temporary during 30 days after the distribution of the minutes. Within this period, 20% of the members can convene an extraordinary General Assembly in order to re-decide about the treated issues.

The board or 20% of the members can convene an extra-ordinary General Assembly at any time.

All the members shall be notified about the agenda of the Assembly at least 2 weeks in advance. Issues not announced in these time frames can only be treated if two third of the present members agree on it.

The General Assembly namely decides about the following issues:

- Election of the board members and the President
- Election of the statutory auditors
- Approval of the statutory auditor's report
- Approval of the board's narrative report
- Grant discharge of the board
- Approval of the next year's budget
- Modification the membership fee
- Change of the articles of association

- Decision about the admission of new or the exclusion of current members (in case of negative decision, the General Assembly has to justify its decision)
- Decision on proposals of its members

Tasks not mentioned in the list above can be delegated to the Board or to Working Groups.

Given the fact that the members of *The Business Machine Europe* live in different countries, the General Assembly can be held without an actual meeting, for example via the internet (video or telephone conferences), by written consultations or as a combination of a meeting and electronic means.

Members also have the possibility to give written instructions and to be represented accordingly by the board.

#### The Board

The Board runs the operative affairs of the Association and is in charge of all tasks not explicitly carried out by the General Assembly.

The board has at least three members namely a president, a vice-president and a head of financial affairs.

The members of the board are elected yearly by the General Assembly. Except for the president, who is elected separately, the board allocates the different tasks and functions autonomously within the team.

The board takes its decisions with the simple majority of the present members. If one third of its members requests so, decisions have to be re-voted in the next meeting.

In case of a pat situation, the president is entitled to take the final ballot.

#### Statutory Auditors

The team of Statutory Auditors consists of two or more members. They check the financial statement prepared by the Board and write a report to the attention of the General Assembly.

Statutory Auditors can be members of the association or external experts. Current members of the Board can not be elected as Statutory Auditors.

#### Working groups

The Board or the General Assembly can create working groups with an undefined number of members at any time.

#### **Disbandment**

Only the General Assembly can decide the disbandment of the association.

A merger is only possible with a legal body domiciled in Switzerland that is tax exempted for reasons of common public interest. In case of disbandment, the association's assets have to be transferred to another legal body domiciled in Switzerland that is tax exempted for reasons of common public interest.

Finalized in Bern 10<sup>th</sup> of July 2011, revised by the General Assembly on 18<sup>th</sup> of March 2012 and 6 of April 2013