



STATUTES

Article 1 - Name

An International Non-Profit Association has been created, named « Réseau Européen de la Microfinance », abbreviated « REM », in English « European Microfinance Network », abbreviated « EMN ».

This Association is governed by the provisions of Title III of the Belgian Law of 27 June 1921 on Non-Profit Associations, International Non-Profit Associations and Foundations (articles 46 to 57).

All documents, invoices, announcements, publications and all other documents issued by the International Non-Profit Association shall mention its Name immediately preceded or followed by the words « International Non-Profit Association », or by the abbreviation « INPA », and the address of its Registered Office.

Article 2 – Address of the Registered Office

The Registered Office of the association shall be located in B-1000 Brussels, rue de l'Industrie, 10.

The Registered Office may be transferred to any other place in Belgium by decision of the Board of Directors and shall be published in the Annexes of the Moniteur belge.

Article 3 – Purpose and Objectives

3.1. The association pursues the following international non-profit objectives:

- to represent the Association and its members before the institutions and organizations related to the microfinance sector in Europe
- to promote self-employment, micro-enterprise and the supply of micro-finance services including micro-credit, any other micro-finance service such as but not limited to, micro-insurance, personal credit, micro-securities, micro-payment and all other related services in Europe
- to support the development of micro-finance programs and micro-finance institutions
- to develop and strengthen the technical support to training and information programs
- to increase knowledge about microfinance, particularly on good practices in this field
- to establish and improve a regulatory framework for micro-finance and self-employment in the European Union and in the Member States

3.2. The Association may initiate the following activities to achieve its aims:

- establish and organize technical and financial support to micro-finance institutions, in particular to strengthen their organizational and financial capacity
- establish and organize consultancy for micro-finance institutions with regard to the implementation and the management of their organizations
- organize debates, seminars, presentations, workshops and trainings.
- develop and organize networks between members and interested parties, as well as activities to support these networks, such as the creation of websites, newsletters, debates, forums and consultations
- establish and organize the financing and implementation of research, analysis and evaluation of issues relating to the Purpose of the Association
- establish and organize the financing and implementation of in situ training, workshops and exchange visits for those involved in activities as mentioned in the Objectives of the Association
- publish and distribute documents to support training, and any other materials
- establish and organize the financing and implementation of technical support missions by and for the members
- organize and participate in debates concerning the policies and their wordings with regard to the Purpose and Objectives of the Association, including conducting research in legal, economic and social matters
- cooperate with individuals and organizations operations in line with and supporting the Objectives of the Association.
- undertake any other action related to and in support of the Objectives of the Association

Within the limits of the law, the Association can undertake all actions or lucrative activities that help accomplishing its Purpose.

Article 4 – Members

All the Members of the Association shall be legal entities established in the European Union or in countries that are candidates to become member of the European Union or in countries of the European Free Trade Association Trade Association (EFTA) / European Economic Area (EEA), active in the field of micro-finance in Europe or having a an interest in the development of the micro-finance sector in Europe or developing specific activities related to and supporting micro-finance sector in Europe.



All Members participate actively in the Association's operations and the attainment of its Objectives.

The classification of the members of will be regulated by the Internal Rules of Procedures of the association, to be approved by the Board of Directors.

Article 5 - Admission, resignation, exclusion

1. The admission of all new members is subject to the following conditions:

To become a Member, an applicant must submit a written request to Board of Directors. This application must be supported by two Members.

The Board of Directors alone can rule on the applications for membership, without having to justify its decision. In case of refusal of admission or when the member has lost its membership under this Article 5, a new application can only be submitted two years after the first refusal of membership or loss of membership.

2. Members can resign from the association at any time by sending their resignation in writing to the Board of Directors of the association.

Members who are declared bankrupt, or subject to any other similar proceedings, or fail to pay their membership fees during two consecutive years, are presumed to be resigning.

3. Exclusion of membership can be proposed by the Board of Directors and after hearing the defense of the concerned party, if applicable, can be decided by the General Assembly with a majority of two-thirds of the Members present or represented. The Board of Directors can suspend the concerned party pending the decision of the General Assembly.

A Member who ceases, by death or otherwise, to be part of the Association has no rights to the social funds.

A member who has lost its membership still has to pay all dues related to the year in which he ceases to be a Member.

Article 6 – Rights and Obligations of the Members

6.1. Membership fees

All Members pay an annual fee that cannot exceed ten thousand euros (€ 10,000), approved by the General Assembly and determined by the Board of Directors.

6.2. Other statutory rights

Members have the same rights and obligations, except otherwise provided in these Statutes. Honorary Members have no voting rights at the General Assembly.

6.3. Consultation of the Statutory Documents of the Association

Members have access to all Statutory Documents of the Association under the conditions and within the limits of Article 10 of the Law of 1921 and the Royal Decree implementing this Law.

Article 7 – The General Assembly

7.1. Powers

The General Assembly has full Powers to allow the achievement of the purposes and activities of the Association.

The following items are particularly part of its Powers:

- a. amendment of these Statutes;
- b. appointment and revocation of Board Members, and if it applicable of the Commissioners;
- c. approval of Budget and Annual Accounts;
- d. discharge given to the Board of Directors and if applicable to the Commissioners;
- e. voluntary dissolution of the Association ;
- f. exclusion of a Member;
- g. adoption, amendments or abrogation of Internal Regulations.

7.2. Composition

The General Assembly is composed of all Members.

Each Member has one vote.

7.3. Meetings and convocation

The General Assembly has a legal right to meet every year to approve the Annual Accounts of the last year and the Budget of the following year.

The General Assembly shall meet under the chairmanship of the President of the Board or the Vice-President and in their absence, the oldest Director present at the meeting, at the Registered Office or any other place indicated in the notice, which must be located in Europe.



The notice is signed by the President or the Secretary and sent by letter, fax, and electronic mail or by any other means of communication, at least fifteen days before the meeting of the General Assembly and contains the Agenda.

An extraordinary meeting of the General Assembly may also be convened at the written request of at least two members of the Board of Directors or at least one quarter of the Members of the Association or, if it will be held to amend the Statutes, upon the written request of at least three members of the Board of Directors or at least one third of the Members of the Association.

Each Member may be represented at the General Assembly by another Member holding a proxy. Each Member may, however, hold no more than two proxies.

7.4. Decision-making

The General Assembly can only vote validly when thirty-three percent (33%) of the Members entitled to vote are present or represented. In case this quorum is not reached, a new meeting of the General Assembly may be convened, to be held within 15 days and at least three months later. This new meeting may deliberate without a quorum of the Members present, on all items on the Agenda of the previous meeting, during which they were unable to deliberate lack of quorum.

It is then impossible to vote on anything that was not on the Agenda.

Except as provided by these Statutes, all resolutions are voted by a simple majority of the votes, validly cast by the Members, who are present or represented at this meeting. In case of a tie, the Chairman of this meeting has the deciding vote.

Resolutions of the General Assembly are listed in a Register signed by the Chairman and Secretary of the meeting, as well as by any other Member present who wishes to sign. It is kept at the Registered Office and all Members can consult it.

Article 8 – Amendments to the Statutes and dissolution of the International Association

The Board of Directors must give a notice of at least two months in advance, to convene a General Assembly to approve a proposal to amend the Statutes or to dissolve the Association.

Article 7.3 is applicable provided that the notice given to convene was two months prior to the meeting.

Section 7.4. Paragraphs 1 and 2 shall apply.

No decision shall be valid unless it is approved by a two-thirds majority vote of the Members present or represented.



If applicable, amendments to the Statutes will not take effect until approved by the competent authority in accordance with Article 50 § 3 of the Law.

The General Assembly shall determine the methods of liquidation and dissolution of the Association.

The net assets after liquidation will be assigned to a non-profit private law legal entity pursuing a similar social object.

Article 9 – Board of Directors

9.1. Powers

The Board of Directors has all powers of management and administration, except those reserved for the General Assembly.

The Board of Directors must maintain the image and the overall management of the Association, and has to define and propose a strategy and oversee its implementation. It has to implement all that is necessary to fulfil the Purpose of the Association and execute all the decisions of the General Assembly. It also proposes a Budget and the Membership Fees in accordance with it, to the General Assembly.

9.2. Composition

The Association is administered by a Board of Directors composed of at least three members and a maximum of seven members, chosen among the Members of the Association.

At least two thirds of the Board members must be social purpose organizations delivering or facilitating financial services to the underserved (MFIs or “practitioners”)

No more than two members will have the same nationality.

Directors are appointed by the General Assembly under the following conditions:

- their term of office is three years. A member can only be elected twice.
- after two consecutive terms, a member may be re-elected after a period of at least three years after the end of his last term, but only for a period equivalent to one new term.
- their function are not remunerated

Candidates for the Board must submit an application at least 15 days prior to the meeting of the General Assembly and the agenda will include their election.



Applications must be submitted in writing and must be supported by at least two other members.

Their office shall be terminated by death, resignation, by the civil incapacity of a member or when he is placed under provisional administration, by revocation and the end of their term.

Directors can be dismissed by the General Assembly.

If a vacancy occurs during a term, the Board may temporarily designate a substitute who will terminate the term of the member he replaces. This shall be confirmed at the next meeting of the General Assembly.

All documents relating to the appointment, revocation and termination of offices of Directors shall be in accordance with the Law and shall be published in the Annexes of the *Moniteur belge*.

9.3. Meeting and Convocation

The Board of Directors meets at least three times a year, whenever the needs of the Association call for it and at every time it is requested by two of its members and is convened by its President or Secretary.

The notice is sent by letter, fax, e-mail or any other means of communication, together with the Agenda.

A Director may be represented by another Director who cannot, however, hold more than two proxies.

9.4. Decision-Making

The Board of Directors cannot validly deliberate unless at least half of its members are present or represented.

Resolutions of Board are taken by a majority of votes validly cast by the members present or represented. In case of a tie, the Chair of the meeting has the deciding vote

The Director or, failing that, any other person who has knowledge of, or is in a conflict of interests, informs the Board of this at the beginning of the meeting and shows the item on the agenda that causes this conflict of interests. He or she shall then not participate in the voting on this item.

Are considered as conflicts of interests, all those referred to in Article 523 of the Belgian Law on Corporations. Are also considered as conflicts of interest, all decisions regarding a legal entity wherein a Director holds an office as a director or an employee.



During their term, the Directors cannot subscribe with the Association any new contracts with a total value exceeding five thousand euro (€ 5,000) per year. This limitation does not apply to contracts related to the coordination of Working Groups.

9.5. Register of Resolutions of the Board

The Resolutions of the Board are recorded in a Register signed by the Chair and the Secretary of the meeting and kept at the Registered Office. It can be consulted by all the Members and Directors.

9.6. Officers

At the first meeting of the Board of Directors, after the meeting of the General Assembly, during which the new Directors have been appointed, the new Board elects its Officers.

The Office shall be composed of a President, one or two vice-Presidents, a Treasurer and if possible an assistant Treasurer, a Secretary General and if possible an assistant Secretary General.

The terms of the Officers are identical to those of the Board members.

The rules of convening and holding the meetings of the Board shall also apply to the meetings of the Officers. Minutes of these meetings are signed by the President and the Secretary of the meeting.

The President represents alone the Association.

He also takes care alone of the daily management of the Association and has the power of representation towards third parties, in relation to this daily management.

The Vice-President shall replace the President when he is absent or ill.

The Treasurer oversees the financial management of the organization. He oversees the preparation of the financial reports to be submitted to the General Assembly and the Annual Accounts.

The Secretary-General shall prepare and oversee all official correspondence of the Association. He supervises the work of the secretariat of the Association.

9.7. Secretariat

The Association has the support of an Executive Secretary, a Secretariat and Working Groups.

The head of the Secretariat is the Executive Secretary.



The Board appoints the Executive Secretary of the Association.

The Board may terminate the contract of the Executive Secretary.

The Executive Secretary implements the strategy of the Association.

The Board delegates to the Executive Secretary the following tasks:

- preparing the annual and long term plans of the Association;
- managing the assets of the Association;
- preparing the Annual Budget of the Association;
- preparing the Annual Accounts of the Association;
- preparing the annual financial report of the Association in collaboration with the Treasurer;
- representing the Association in collaboration with the President;
- receiving donations, grants and legacies on behalf of the Association, after having informed the General Assembly thereof and having received its approval;
- managing the staff of the Secretariat of the Association within the limits of the Annual Budget;
- preparing the Board meetings;
- preparing in collaboration with the Board, the meetings of the General Assembly;
- performing all other tasks assigned by the Board.

9.8. – Working Groups

The Board may decide to delegate some of the operational tasks of the Secretariat to Working Groups. Those Working Groups are formed around specific topics selected by the Board. These tasks may be delegated to them for a specific period in time.

The Working Groups are composed of at least four Members, of whom one is the facilitator and coordinator. The coordinator may invite individuals and / or organizations involved in the field of micro-finance in Europe and/or with a specific expertise and / or interest in the development of the sector of micro-finance in Europe, to join these Working Groups.

The Board may formulate, adapt, and modify the operational directives of the Secretariat and/or the Working Groups and delegate powers to the Secretariat and/or the Working Groups, to act on behalf of the Association to the extent they are in compliance with these Statutes.

Those modifications will be noted in the minutes of the Board meeting.



Article 10 - Publications

All documents relating to the appointment, revocation and termination of the offices of Directors, the persons responsible for the daily management and the persons authorized to represent the international non-profit Association, shall be published in the Annexes of the *Moniteur belge*.

Article 11 - Budgets and annual accounts

The financial year begins every year on the 1st of January and ends on the 31st of December.

In accordance to article 53 of the Law, the Annual Accounts for the past financial year and the Budget for the following year are prepared by the Board annually and submitted to the General Assembly for approval during its next meeting.

They shall be attached to a management and business report, a financial report and a report of a commissioner if one is appointed. All these documents can be consulted by the Members at the Registered Office at least 15 days prior to the date of the meeting of the General Assembly that shall have to approve the accounts for this financial year.

When necessary and when required by law, the Board shall appoint a commissioner among the members of the Institute of Auditors, to audit the accounts of the Association and to make an annual report. He shall be appointed for three years and may be re-elected.

The audited Annual Accounts of the previous year, if applicable, must be approved by the Board within the first six months after the end of the fiscal year. A Budget proposal for the following year must be approved by the Board of Directors within the same period

Article 12 – Internal Regulations

The Board may propose Internal Regulations to the General Assembly. They can be amended or repealed by decision of the General Assembly.

Article 13 – Partners of the Association

Organizations based outside the borders of the European Union, or of the countries candidates to become member of the European Union and of EFTA / EEA countries, promoting and/or supporting the development the micro-finance sector in Europe, and national and/or international micro-finance networks promoting and/or supporting the development of micro-finance in general and particularly in Europe, may become a Partner of the Association.



In these Partnership Agreements, reciprocal rights will be defined, such as the mutual use of services, the possibility to attend meetings and/or international conferences and/or the cooperation in specific projects and programs.

Article 14 – General Provisions

All that is not regulated by these Statutes and in particular the publications in the Annexes of the *Moniteur belge*, shall be done in accordance with the provisions of Title III of the Belgian law of 27 June 1921 on non-profit Associations, International non-profit Associations and Foundations.

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