

## ARTICLES OF ASSOCIATION OF THE POLISH DONORS FORUM

### GENERAL PROVISIONS

#### § 1.

1. The union of associations under the name “Polish Donors Forum” (hereafter referred to as “**Donors Forum**”) is an independent, voluntary and permanent union the purpose of which is to support charity and social activism.

2. The name “Polish Donors Forum” distinguishes the Association of societies operating pursuant to these Articles from other societies, organizations and institutions. Donors Forum managing bodies shall legally protect the name “Polish Donors Forum” through all available legal means.

#### § 2.

1. Donors Forum shall operate pursuant to the *Law on Associations* and these Articles.

2. Warsaw shall be the registered seat of Donors Forum.

3. Donors Forum shall conduct public benefit activity in the Republic of Poland within the scope described in the Articles. To the extent required to realize its goals, Donors Forum may conduct activity outside the Republic of Poland.

4. Donors Forum may be a member of national and international organizations advocating development of charity and social initiatives.

5. Donors Forum shall not participate in political campaigns for public office nor may it be used to support any candidate for any political position whatsoever.

### GOALS AND SCOPE OF ACTIVITY

#### § 3.

1. The goal of Donors Forum is the development of charity, propagation of good practices and improvement of skills of managing and administering funds designated for socially beneficial activities, establishing conducive and transparent conditions for development of donor organizations and building social confidence therein, as well as conducting educational and research activity concerning financial and non-financial support of socially beneficial activities.

2. Donors Forum shall realize its goals through:

2.1. acting to improve procedures of donations, grants, gifts, scholarships, awards and providing other forms of support;

- 2.2. promotion of effective and credible use by beneficiaries of donations, grants, gifts, scholarships, awards and other forms of support;
  - 2.3. propagation of transparent and effective development and distribution of funds for socially beneficial activities;
  - 2.4. advocacy for legal regulations regulating charitable activity in Poland and informing the public of significant changes thereof;
  - 2.5. cooperation with foreign organizations of a similar activity profile and potential donors at home and abroad;
  - 2.6. facilitating exchange of information among Donors Forum members;
  - 2.7. collecting and publishing materials on topics important to Donors Forum activity;
  - 2.8. organizing thematic trainings and conferences;
  - 2.9. conducting research and educational activities;
  - 2.10. conferring awards and honors as well as bestowing titles upon individuals and organizations contributing to the execution of Donors Forum goals;
3. Donors Forum shall conduct activities described in sub-points 2.1-2.10 pursuant to gratuitous statutory public benefit activity while it may conduct activities described in sub-points 2.1-2.3 and 2.7-2.9 as paid statutory public service activity.

## ***MEMBERSHIP***

### **§ 4.**

1. Donors Forum associates regular members and supporting members, jointly referred to as **“members.”**
2. Domestic and foreign legal entities that accept Donors Forum goals and ethical standards of activity appended to these Articles may be Donors Forum Members.
3. Donors Forum founding members are: Stowarzyszenie Akademia Rozwoju Filantropii w Polsce (Academy for the Development of Philanthropy in Poland), Stowarzyszenie Nidzicki Fundusz Lokalny (The Nidzica Community Foundation), Stowarzyszenie Fundusz Lokalny Masywu Śnieżnika (The Śnieżnik Mountain Community Foundation), Fundacja Bankowa im. Leopolda Kronenberga (Leopold Kronenberg Bank Foundation), Fundacja im. Stefana Batorego (Stefan Batory Foundation), Fundacja na Rzecz Nauki Polskiej (The Foundation for Polish Science), Fundacja Partnerstwo dla Środowiska (Polish Environmental Partnership Foundation), Fundacja Wspomagania Wsi (Rural Development Foundation), Polska Fundacja Dzieci i Młodzieży (Polish Youth Foundation). Upon entry of the Donors Forum into the National Court Register of

associations, the founding members shall become regular members or supporting members pursuant to the status appropriate to each organization.

#### **§ 5.**

1. Domestic and foreign not-for-profit legal entities may be Regular Members if they meet the following conditions:

1.1. distribute for at least three years donations, grants, gifts, scholarships, awards or other forms of support to not less than 10 subjects annually;

1.2. in the case of foundations or associations, make annual allotments for support, in an amount of at least 300,000 PLN and 20% of program operating budgets, and, in the case of legal entities acting as community foundations, at least 100,000 PLN;

1.3. undergo external audits;

1.4. sign and submit the membership declaration and agree to observe the Articles and ethical standards accepted by the Donors Forum, appended to these Articles;

1.5. do not participate in political campaigns for public office or support the activity of any political party.

2. Domestic and foreign organizations and institutions that conduct grant, loan or guarantee activity in any formula and are interested in participating in Donors Forum activities and support thereof may become Donors Forum Supporting Members. To become a supporting member it shall be necessary to meet the conditions contained in sub-points 1.4 and 1.5.

#### **§ 6.**

1. Regular or supporting member candidates shall be recommended to the Donors Forum Board of Directors by at least two regular members.

2. The Donors Forum Board of Directors shall subject the candidacy to a vote at the subsequent General Members Meeting.

3. Acceptance of a new member shall occur upon the date indicated in the General Members Meeting resolution expressing consent to accept such as a Donors Forum Member and subsequent to the candidate's submission of the membership declaration.

4. A General Members Meeting resolution containing consent to accept a new regular member shall also define the amount of dues the new regular member shall pay.

### ***MEMBER RIGHTS AND OBLIGATIONS***

#### **§ 7.**

1. Donors Forum regular members shall have the right to:

1.1. take advantage of Donors Forum recommendations and care in their activities for the public good;

1.2. take advantage of publications, papers and information developed or assembled and stored by the Donors Forum;

1.3. participate in trainings and thematic conferences organized by the Donors Forum.

2. Donors Forum Regular Members shall participate in General Members Meetings and shall pay membership dues. Regular Members shall participate in General Members Meetings with voting rights and may petition the Board of Directors in all matters concerning Donors Forum or associated with its activity.

#### **§ 8.**

1. Donors Forum supporting members shall have the right to:

1.1. take advantage of Donors Forum recommendations and care in their activities for the public good;

1.2. take advantage of publications, papers and information developed or assembled and stored by Donors Forum;

1.3. participate in trainings and thematic conferences organized by Donors Forum.

2. Supporting members shall perform their financial or material support obligations to Donors Forum, including paying membership dues and contributing to the realization of its goals.

3. Supporting Members shall be entitled to participate in General Members Meetings without voting rights.

#### **§ 9.**

1. All members associated through the Donors Forum may use the name "Member of Polish Donors Forum" and shall have the right to use the Donors Forum graphic symbol.

2. All Donors Forum Members shall actively support realization of Donors Forum goals and observe provisions of the Articles, applicable rules and regulations as well as Donors Forum ethical standards constituting an appendix to these Articles.

#### **§ 10.**

1. Donors Forum membership shall expire pursuant to:

1.1. filing a written resignation with the Donors Forum Board of Directors;

1.2. deletion from the membership list pursuant to a resolution of the General Members Meeting;

- 1.3. Deletion of a subject Donors Forum member
2. A Resolution on removal from the Membership List shall be submitted to vote by the Donors Forum Board of Directors or at least 3 regular members in the event of:
  - 2.1. violation of provisions of the Articles, resolutions of the General Membership Meeting or Donors Forum ethical standards constituting an appendix to these Articles,
  - 2.2. acting against the best interests of Donors Forum;
  - 2.3. failure to pay membership dues for at least 1 payment term,
  - 2.4. in the case of regular members: failure to participate in at least two General Members Meetings;

### ***FORUM MANAGING BODIES***

#### **§ 11.**

1. Donors Forum managing bodies shall be as follows: General Members Meeting, Board of Directors and Audit Commission.

#### **§ 12.**

1. The General Members Meeting is the supreme Donors Forum governing body. Regular members participate in the General Members Meeting (hereafter also referred to as the deliberations) with the right to vote and supporting members participate in the General Members Meeting without the right to vote.
2. The General Members Meeting may be regular or extraordinary.
3. A Regular General Members Meeting shall be held annually before June 30 at a location indicated by the Donors Forum Board of Directors in an invitation that shall also contain a planned Meeting agenda and draft resolutions at least in the matters enumerated in point 6 below, sent to Members at least two weeks prior to the Meeting date.
4. An Extraordinary General Members Meeting shall be convened by the Board of Directors upon a motion of the Audit Commission or that of at least 3 regular members within 14 days from the submission of the motion or upon their own initiative. If the Meeting is not convened within 14 days of motion submission to the Board of Directors, the Audit Commission or members submitting the motion shall be entitled to convene the Meeting.
5. Invitations to the General Members Meeting shall be posted to Members' e-mail or registered addresses indicated in writing in the membership declaration or in a letter to the Donors Forum Board of Directors informing of a change of address. Presence of at least half the regular members is required to attain quorum at a Meeting. With the reservation of regulations below, resolutions adopted at a Meeting without the required quorum shall be null and void.

Should the meeting fail to be convened at the initial time due to lack of quorum, the Board of Directors shall set another Meeting time with the same agenda and shall notify all the Members thereof with at least seven days notice. At least one third of regular members must be present to attain quorum at a Meeting convened in such manner.

6. Unless the Articles provide otherwise, General Member Meeting resolutions shall be adopted by simple majority vote. Resolutions accepting a new member, removing a member from the Membership List, amending the Articles, releasing a Supporting Member from the duty to pay dues, and dissolving the Donors Forum shall be adopted by a 2/3 majority of votes. The General Member Meeting may adopt resolutions by write-in ballots if all regular members have been notified of the draft resolution contents. Matters described in sub-points 8.1-8.8 shall not be subject to write-in balloting.

7. Balloting shall be open. Secret balloting shall be ordered in elections of Donors Forum managing bodies and also in the event such a request is made by a least one Regular Member present at the General Members Meeting.

8. Aside from matters enumerated in point 6, all matters not delegated to other Donors Forum managing bodies by the Articles shall be reserved to the Meeting, including, in particular:

8.1 amendment of Donors Forum Articles of Association;

8.2. adoption of the Donors Forum activity program for the next calendar year;

8.3. adoption of the Donors Forum budget for the next calendar year;

8.4. approving the Donors Forum financial statements for the preceding year;

8.5. adoption of a resolution on dissolution of Donors Forum and appointing persons responsible for liquidation;

8.6. appointing and dismissing members of the Board of Directors and Audit Commission as well as setting principles for payments to members of those bodies and Donors Forum employees;

8.7. reviewing and approving reports of the Board of Directors;

8.8. acknowledgement of the fulfillment of duties by the Board of Directors and acknowledgement of the fulfillment of duties to the Audit Commission;

8.9. reviewing requests in other matters submitted by the Board of Directors, Audit Commission or at least two Members.

9. Members shall vote through their proxies or individuals authorized to act on members' behalf pursuant to representation principles. Proxy shall be granted in writing and appended to the

Meeting Minutes or resolution subject to write-in ballot or is otherwise null and void, unless the proxy is the party listed in that role in the membership declaration.

10. The General Members Meeting shall select a Meeting Chair from among participating individuals.

11. An individual appointed by the Chair shall record the Resolutions. In the Minutes, the Meeting Chair shall order drafting of a Meeting attendance list, state the validity of the Meeting and the Meeting's capacity to adopt resolutions. The Minutes shall also contain the text of adopted resolutions, number of votes cast, number of votes for, against and abstentions. Meeting Resolutions shall be signed by the Meeting Chair. Appropriate documents and Meeting attendance list signed by all participating Members shall be appended to the Minutes.

12. The first General Members Meeting shall convene no more than 30 days from registration of the Donors Forum for the purpose of electing officers. Each Donors Forum founding member shall have the right to convene the first General Members Meeting.

### **§ 13.**

1. The Audit Commission is a Donors Forum internal control body and shall consist of three to five parties

2. The Audit Commission members shall be appointed and dismissed by the General Members Meeting.

3. Each Regular Member has the right to nominate a candidate for The Audit Commission from among parties authorized to act on behalf of regular or supporting members.

4. At its first meeting, the Audit Commission shall select a Chair from Commission members and establish the Commissions working rules.

5. The first Audit Commission meeting in a given term shall be convened upon motion by a Commission member. Succeeding Commission meetings shall be convened by the Commission Chair at least once per year at a time and date of its discretion, however before the Regular General Members Meeting described in par. 12 point 3. Any Commission member upon its own initiative may convene an Audit Commission meeting.

6. Audit Commission decisions shall take the form of resolutions adopted by simple majority vote with minimum quorum of at least half of its members. In the event of a tie in voting, the Chair shall have the deciding vote. The Audit Commission may adopt resolutions by write-in ballots if all its members have been notified of the draft resolution contents.

7. Audit Commission authority shall include:

- 7.1. controlling activities of the Board of Directors, investigating the appropriateness and legality of expenditures and their compliance with the budget;
  - 7.2. opining the financial statement prepared by the Board of Directors;
  - 7.3. requesting acknowledgement of the fulfillment of duties by the Board of Directors;
  - 7.4. requesting removal from the membership list.
8. Members of the Board shall not simultaneously hold posts as members of the Audit Commission.
9. The term of an Audit Commission shall last two years, except that Audit Commission members shall perform their obligations until appointment of a new Audit Commission. An Audit Commission member may be elected to a maximum of 3 successive terms. In the event of resignation, dismissal or death of a Commission member, Audit Commission members shall select a new member, whose term shall expire upon appointment by the General Members Meeting of a new Audit Commission.

#### **§ 14.**

1. The Board of Directors shall be a Donors Forum executive body and shall represent the Donors Forum.
2. The Board of Directors shall consist of three to five members, including a Chair.
3. Board members shall be appointed by the General Members Meeting
4. Each regular member has the right to nominate a candidate for the Board of Directors from among parties authorized to act on behalf of regular or supporting members.
5. The Board of Directors shall act pursuant to resolutions of the General Members Meeting under the supervision of the Audit Commission within the scope defined in the Articles. The Board shall be responsible for planning and managing Donors Forum activity pursuant to the activity program adopted by resolution of the General Members Meeting. Board of Directors authority shall include:
  - 5.1. developing the Donors Forum activity program for the next calendar year;
  - 5.2. preparing the Donors Forum budget for the next calendar year;
  - 5.3. presenting to the General Members Meeting a report on Donors Forum activity and financial statement for the preceding year;
  - 5.4. coordinating the work of Donors Forum members in relation to Donors Forum activity;
  - 5.5. drawing obligations and making commitments of a value not to exceed the Donors Forum annual budget;

5.6. Two members of the Board of Directors acting jointly shall be entitled to make declarations on behalf of the Donors Forum.

6. Board of Directors meetings shall take place at least once at every three months with the presence of at least half of the Board members. Board of Directors meetings shall be recorded and the adopted resolutions shall be signed by all Board members present at the meeting, with indication whether they voted for or against the resolution.

7. Board of Directors decisions shall be made in the form of resolutions adopted by a simple majority vote with minimum quorum of at least half of its members. In the event of a tie of votes, the Chair's vote shall be decisive. The Board of Directors may vote on resolutions in writing if all Board members have been notified of the text of the draft resolution.

8. The Board of Directors term shall last 2 years, except that Board of Directors members shall perform their duties until adoption of a resolution appointing a new Donors Forum Board of Directors. A member of the Board of Directors may not be appointed to more than three successive terms. In the event of resignation, dismissal or death of a Board member, members of the Board shall select a new member whose term shall expire upon selection by the General Members Meeting of a new Donors Forum Board of Directors. No more than half the composition of the Board of Directors may be appointed in such manner.

9. A member of the Donors Forum Board of Directors shall not be an officer of any political party, hold nor seek public office.

10. In agreements and disputes between the Donors Forum and Board of Directors members, the Donors Forum shall be represented by the Audit Commission or representative appointed by resolution of the General Members Meeting.

11. In the event of a conflict of interest between the Donors Forum and a member of its Board of Directors, his or her spouse, kin, in-laws or individuals with personal ties to the Board member, the Board member shall abstain from resolving such issues and such a fact shall be reflected in the Minutes from the Donors Forum Board of Directors meeting.

## ***ASSETS***

### **§ 15.**

1. Donors Forum assets come from membership dues, gifts, donations, legacies, provisions, grants from organizations and individuals, income from accumulated capital, income from its own activity and donations from the public.

2. Donors Forum shall not conduct economic activity.

3. Activity of the Donors Forum Associations shall be not-for-profit.

**§ 16.**

1. The General Members Meeting shall set the membership dues amount by way of a resolution.
2. Supporting member dues shall be a minimum of 2/3 of regular member dues. In reasonable cases, the General Members Meeting may adopt a resolution to exempt a supporting member from the duty of paying dues for an unlimited or defined period of time.
3. Membership dues shall be payable in advance by March 31 of each year to the Donors Forum bank account.
4. A Donors Forum member accepted in the course of the calendar year shall pay membership dues in the amount established by resolution of the General Members Meeting described in § 6 item 4 of the Articles.
5. Membership dues shall be nonrefundable.

**§ 17.**

1. The Board of Directors shall assure diligent maintenance of accounts pursuant to applicable accounting and reporting principles.
2. Within 90 days from the end of the calendar year, the Board of Directors shall draft a financial statement and present such to the Audit Commission, which may submit comments to or request its supplementation within no more than 30 days from receipt thereof.
3. Within a term established by the General Members Meeting, the Board of Directors shall present to the General Members Meeting a financial report prepared in the manner outlined above along with the opinion of the Audit Commission supporting approval by the General Members Meeting.
4. Each Member, at its own cost and through its own representatives including internal and external accountants, shall be entitled to review, copy and control all Donors Forum accounting ledgers, documents and accounts.

***FORUM DISSOLUTION***

**§ 18.**

1. Donors Forum may be dissolved by resolution of the General Members Meeting upon the request of at least three regular members.
2. All Donors Forum assets remaining after completion of the liquidation shall be distributed to not-for-profit organizations for public benefit causes indicated in the resolution of the General Members Meeting on Donors Forum dissolution.

3. The resolution on dissolution of the Donors Forum shall also describe the liquidation start date and the liquidators.

***AMENDMENT OF THE ARTICLES***

**§ 19.**

1. Amendment of the articles shall require resolution of the General Members Meeting.
2. Donors Forum members shall submit draft amendments of the Articles to the Board of Directors, which shall prepare and present the proffered amendments to all members not less than 10 days prior to the General Members Meeting, the agenda of which Meeting shall include adoption of the resolution amending the Articles.

## **POLISH DONORS FORUM' ETHICAL STANDARDS**

**Donors Forum** consists of organizations that realize their missions to serve common good by distributing funds for initiatives undertaken by to other subjects according to publicly announced procedures adopted by their boards. In their activities, Donors Forum Members, apart from observing applicable legal regulations as well as their own organizational principles and norms, apply the following common standards.

### **1. make publicly available:**

- the organization's mission and operating mode
- information about opportunities, procedures and criteria for obtaining donations, grants, gifts, scholarships, awards and other forms of support in a manner equally accessible to potentially interested parties
- an annual report containing, amongst other, information about sources of financing, awarded donations, grants, gifts, scholarships, awards and other forms of support and operating costs

### **2. apply procedures and criteria for awarding donations, grants, gifts, scholarships, awards and other forms of support based on principles of**

- transparency
- impartiality
- preventing conflicts of interests between the donor and recipients of a donation, grant, gift, scholarship, award or other form of support (regarding employment relationships, personal interrelations, etc.)

### **3. monitor:**

- social needs in the priority areas of the organization's mission and direct their offer in response thereto
- quality and effectiveness of their grantmaking and strive to constantly improve such

### **4. assure:**

- diligent financial management
- minimization of administrative costs

**5. cooperate** with recipients of a donation, grant, gift, scholarship, award or other form of support on solving problems related to execution of the undertaking for which a grant was awarded

**6. treat recipients of a donation, grant, gift, scholarship, award or other form of support as partners** in realization of common goals and respect their integrity and independence.