

Statutes of the Friends of Bhutan Association, Austria

ZVR-No.: 1715097917

§ 1: Name, seat and field of activity

(1) The name of the Association shall be: "Friends of Bhutan Association, Austria"
(German: "Verein der Freunde Bhutans, Österreich").

(2) It shall have its seat in Vienna.

The Association shall extend its activities to the federal territory of Austria and, in so far as it is conducive to the purpose of the Association, also beyond, as well as to the Kingdom of Bhutan.

§ 2: Purpose

The Association exclusively and directly pursues non-profit and charitable purposes in line with §§ 34 et seq. - 47 Austrian Federal Fiscal Code (BAO) and § 4a para 2 Austrian Income Tax Code (EstG) and is therefore not profit-oriented. The aim of the Association is to foster and promote relations between Austria and Bhutan as well as development cooperation with Bhutan, in particular the promotion of sustainable social, ecological and economic development by supporting social, cultural and medical projects as well as climate and environmental protection measures

§ 3: Means to achieve the purpose of the Association

(1) The purpose of the Association shall be achieved through the activities and financial means listed in sections 2 and 3.

(2) The ideal means are

- a. Events of all kinds, lectures, information events, meetings, social gatherings, discussion evenings, training, counselling, exhibitions
- b. Public relations work according to the Association's purpose, such as the establishment of a website and/or other electronic media and the issuing of publications.
- c. Reciprocal visits, educational trips, cooperation
- d. Training programmes, exchange programmes as well as cooperation at university level and with local non-profit organisations

Insofar as this serves the purpose of the association, the association is authorised to

- To participate in (charitable or non-charitable) corporations,
- To utilise vicarious agents pursuant to § 40 para. 1 BAO or to act as a vicarious agent itself,
- To transfer funds or other assets in accordance with § 40a Z 1 BAO to charitable organisations with a corresponding dedication, provided there is at least one matching purpose.

(3) The necessary material resources shall be raised by:

- a. Membership fees and voluntary contributions from Association members and officials
- b. Income from Association events and activities according to (2) as above.
- c. Donations in kind and money, collections and bequests as well as legacies from natural persons, companies or associations
- d. Subsidies and grants

§ 4: Types of membership

(1) The members of the Association are divided into ordinary members and honorary members.

(2) Ordinary members are those who participate in the work of the Association in an honorary capacity. Honorary members are persons who are appointed by the Board based on special services rendered to the Association.

§ 5: Acquisition of membership

(1) All physical and legal persons as well as partnerships with legal capacity who wish to support the aims of the aforementioned Association are eligible to become members of the Association. An application for membership must be submitted in order to be accepted as an ordinary member.

(2) The Board decides on the admission of ordinary members and honorary members. Admission can be refused without giving reasons.

§ 6: Termination of membership

(1) Membership terminates upon death, in the case of legal persons and partnerships with legal capacity by loss of legal personality, by voluntary resignation and by exclusion.

(2) Resignation may be effected at any time.

(3) The Board may cancel the membership of an ordinary member if no written or oral contact has been established with the member for two years, or if the member is more than two years in arrears with the payment of membership fees despite two reminders.

(4) The Board may expel an ordinary member or an honorary member for gross violation of membership obligations and for dishonourable conduct. The decision shall be communicated to the expelled person in writing. An appeal against the expulsion may be made to the General Assembly, until the decision of which the membership rights shall be suspended.

§ 7: Rights and duties of members

(1) Members are entitled to participate in all events of the Association. Ordinary and honorary members shall have the right to vote at the General Assembly and the right to vote and stand for election.

(2) Ordinary members and honorary members must be informed by the Board about the activities and financial management of the Association at each General Assembly.

(3) Ordinary members and honorary members shall be informed by the Board about the audited accounts (presentation of accounts). If this is done at the General Assembly, the auditors shall be involved.

(4) Ordinary members are obliged to pay an annual membership fee in the amount decided by the General Assembly for a two-year period.

(5) Members are obliged to promote the interests of the Association to the best of their ability and to refrain from doing anything that could damage the reputation and purpose of the Association. They shall observe the statutes of the Association and the resolutions of the Association's bodies.

§ 8: Bodies of the Association

The bodies of the Association shall be the General Assembly (§§ 9 and 10), the Board (§§ 11 to 13), the Auditors (§ 14) and the Arbitration Tribunal (§ 16).

§ 9: General Assembly

(1) The General Assembly is the "Members' Assembly" as defined in the Associations Act 2002 (VereinsG). An ordinary General Assembly shall be held every two years.

(2) An extraordinary General Assembly shall be held at:

- a. a resolution of the Board or the ordinary General Assembly,
- b. written request of at least one tenth of the members entitled to vote ,
- c. written request of the Auditors (§ 21 para. 5 first sentence of the Associations Act),
- d. a resolution of the auditors (§ 21 para. 5 second sentence of the Associations Act, § 11 para. 4 third sentence of these Statutes).

and shall take place within four weeks.

(3) All members shall be invited to both the ordinary and the extraordinary General Assembly at least two weeks before the date in writing, by fax or by e-mail, stating the agenda. Meetings shall be convened by the Board (para. 1 and para. 2 lit. a - c) or by the Auditors (para. 2 lit. d).

(4) Motions for the General Assembly shall be submitted to the Board in writing, by fax or by e-mail at least three days before the date of the General Assembly.

(5) Valid resolutions - except those on a motion to convene an extraordinary General Assembly - may only be passed on items of the agenda.

(6) All members are entitled to participate in the General Assembly. Ordinary and honorary members are entitled to vote. Each member has one vote. A proxy shall represent legal entities. The transfer of the right to vote to another member by means of a written proxy is permissible.

(7) The General Assembly shall constitute a quorum irrespective of the number of members present.

(8) Elections and resolutions in the General Assembly are generally carried out by a simple majority of votes. However, resolutions to amend the statutes of the Association or to dissolve the Association require a qualified majority of two thirds of the valid votes cast.

(9) The General Assembly shall be chaired by the President or, in his/her absence, by the Vice President. If the Vice President is also prevented from attending, the oldest member of the Board present shall chair the meeting.

(10) If it is not possible to hold a General Assembly in the presence of all members due to special circumstances or if it is not reasonable for members to attend, General Assemblies can also be held online via telephone or video conference and without physical presence of the members. In this case, the above provisions for holding a General Assembly with physical presence of the participants apply accordingly. A technical solution must be selected ensuring that all members authorised to participate can take part in the virtual meeting.

§ 10: Duties of the General Assembly

The General Assembly shall have the following duties:

- a. Receive and approve the statement of accounts and the financial statements with the involvement of the auditors;
- b. Decide on the budget;
- c. Elect, appoint and dismiss members of the Board and the Auditors;
- d. Decide on appeals against exclusion from membership;
- e. Determine the amount of membership fees;
- f. Decide on amendments to the statutes and the voluntary dissolution of the Association;
- g. Discharge the entire Board;
- h. Discuss and decide on other matters on the agenda.

§ 11: The Board

(1) The Board shall consist of the President, the Vice President, the Secretary and the Treasurer.

(2) If the Board deems it expedient, it may co-opt a maximum of three additional Board members, subject to a subsequent decision by the General Assembly.

(3) The Board may appoint representatives from various fields relevant to the Association as counsellors for an indefinite period of time. The task of the counsellors is to provide the Board with additional expertise, opinions and advice on concepts and projects that serve the objectives of the Association.

(4) The Board shall be elected by the General Assembly. In the event of the resignation of an elected member, the Board shall have the right to co-opt another eligible member to replace

him/her, subject to subsequent approval at the next General Assembly. In the event of the Board not being able to fulfil its duties for an unforeseeably long period of time without being replaced by co-optation, the Auditors shall be obliged to immediately convene an extraordinary General Assembly for the purpose of electing a new Board. If the Auditors are also unable to act, any ordinary member who recognizes the emergency situation shall immediately apply to the competent court for the appointment of a curator, who shall immediately convene an extraordinary General Assembly.

(5) The term of office of the Board is two years; re-election is possible. Each function in the Board shall be exercised personally and on an honorary basis.

(6) The Board shall be convened by the President or, if he/she is prevented from doing so, by the Vice President, by fax or e-mail, or orally. If the Vice President is also prevented from attending for an unforeseeable period of time, any other member of the Board may convene the Board.

(7) The Board constitutes a quorum if all its members have been invited and at least three of them are present.

(8) The Board shall adopt its resolutions by a simple majority of votes; in the event of a tie, the Chairperson shall have the casting vote.

(9) The meeting shall be chaired by the President or, if he/she is unable to do so, by the Vice President and if both are unable to do so by the Secretary.

(10) Board meetings can also be held online, without physical presence of the participants, for example via telephone or video conference. In this case, the rules for holding board meetings with physical presence of the participants apply accordingly. The Board members may also pass written resolutions by way of circulation.

(11) Apart from death and expiry of the term of office (para. 5), the function of a member of the Board shall expire by removal (para. 11) and resignation (para. 12).

(12) The General Assembly may dismiss the entire Board or individual members of the Board at any time by a 2/3 majority of the ordinary and honorary members present. The dismissal takes effect with the appointment of the new Board or Board member.

(13) The members of the Board may resign in writing at any time. The declaration of resignation shall be addressed to the Board, in case of resignation of the entire Board to the General Assembly. The resignation shall only become effective with the election or co-option (para. 2) of a successor.

§ 12: Duties of the Board

The Board is responsible for the management of the Association. It is the "governing body" in the sense of the Associations Act 2002. It is responsible for all tasks that are not assigned to another body of the Association by the statutes. The following matters in particular fall within its scope of action:

- (1) Establishment of an accounting system in accordance with the requirements of the Association with continuous recording of income/expenditure and keeping a list of assets as a minimum requirement;
- (2) Preparation of the annual budget, the statement of accounts and the closing of accounts;
- (3) Preparation and convening of the ordinary and extraordinary General Assembly in the cases of § 9 paragraph 1 and paragraph 2 lit. a - c of these Statutes;
- (4) Informing the members of the Association about the activities of the Association, the management of the Association and the audited accounts;
- (5) Management of the Association's assets;
- (6) Admission and exclusion of ordinary and honorary members, as well as advisory boards.

§ 13: Special duties of individual members of the Board

- (1) The President shall conduct the day-to-day business of the Association. The Vice President shall assist the President in the conduct of the business of the Association.
- (2) The President shall represent the Association externally. Written documents of the Association shall be valid only if signed by the President, in his/her absence by the Vice President and the Secretary. Legal transactions between members of the Board and the Association require the consent of another member of the Board.
- (3) In financial matters, the signature of the President, in his/her absence by the Vice President and the Treasurer is required. The principle of dual control shall apply.
- (4) Legal authorizations to represent the Association externally or to sign on its behalf may only be granted by the Board members mentioned in paragraph 2.
- (5) In case of imminent danger, the President shall be entitled to issue orders on his/her own responsibility, even in matters falling within the scope of the General Assembly or the Board; however, in the internal relationship, these shall require the subsequent approval of the competent body of the Association.
- (6) The President shall chair the General Assembly and the Board.
- (7) The Secretary shall keep the minutes of the General Assembly and of the Board. He/she shall keep the membership file and the correspondence of the Association. In addition, he/she shall undertake all such duties as may be assigned to him/her by the President. He/she shall be responsible for the timely dispatch of all invitations.
- (8) The Treasurer shall be responsible for the financial affairs of the Association. He/she shall receive all incoming funds and shall account for and process them in the official Association account. He/she shall use the funds in accordance with the statutes and resolutions of the Board. The cash records as well as the bookkeeping shall always be kept up to date and shall be presented to the President and the Board for inspection and audit at any time.

(9) In the event of the President being prevented from attending, the Vice President or the Secretary shall take the place of the President.

§ 14: Auditors

(1) Two Auditors shall be elected by the General Assembly for a period of two years. Re-election is possible. The auditors may not belong to any other body - with the exception of the General Assembly - whose activities are the subject of the audit.

(2) The Auditors shall be responsible for the ongoing control of the business and the financial management of the Association with regard to the correctness of the accounts and the use of the funds in accordance with the statutes. The Board shall submit the necessary documents to the auditors and provide them with the required information. The auditors shall report to the Board on the results of the audit.

(3) Any legal transactions between the Auditors and the Association require the approval of the General Assembly. In all other respects, the provisions of § 11 (10) to (12) shall apply mutatis mutandis to the Auditors.

§ 15: Arbitration Tribunal

(1) The Arbitration Tribunal within the Association shall be responsible for settling all disputes arising from the Association. It is an "arbitration institution" in the sense of the Associations Act 2002 and not an arbitration court according to §§ 577 ff ZPO.

(2) The Arbitration Tribunal shall consist of three ordinary members of the Association. It shall be formed in such a way that one party to the dispute nominates a member as arbitrator in writing to the Board. Upon request by the Board within seven days, the other party to the dispute shall nominate a member of the Arbitration Tribunal within 14 days. After notification by the Board within seven days, the nominated arbitrators shall elect a third ordinary member as chairman of the Arbitration Tribunal within further 14 days. In the event of a tie, a decision shall be taken by lot. The members of the Arbitration Tribunal may not belong to any body - with the exception of the General Assembly - whose activities are the subject of the dispute.

(3) The Arbitration Tribunal shall reach its decision after hearing both parties and with all its members present, by a simple majority of votes. It shall decide to the best of its knowledge and belief. Its decisions shall be final within the Association.

§ 16: Voluntary dissolution of the Association

(1) The voluntary dissolution of the Association may only be decided by a two-thirds majority of the valid votes cast at an extraordinary General Assembly convened exclusively for this purpose.

(2) The General Assembly shall decide on the liquidation of the Association, provided assets of the Association are available. In particular, it shall appoint a liquidator and decide to

whom the liquidator shall transfer the assets of the Association remaining after the liabilities have been covered.

(3) The last Board of the Association shall notify the competent Association Authority in writing of the voluntary dissolution within four weeks of the resolution.

§ 17: Use of the Association's assets in case of dissolution of the Association or in case of cessation of the beneficiary purpose

In the event of the dissolution of the Association or in the event of the discontinuation of the previous beneficiary purpose of the Association, the assets of the Association remaining after the liabilities have been covered shall be used exclusively for charitable or non-profit purposes within the meaning of §§ 34 ff of the Austrian Federal Fiscal Code (BAO) and § 4a para 2 of the Austrian Income Tax Act (EstG) and to transfer the assets to a non-profit organisation within the meaning of §§ 34 et seq. BAO pursuing the same or similar goals and objectives as this Association, on condition that these assets are used exclusively for non-profit purposes within the meaning of §§ 34 et seq. BAO.

Vienna, 23 October 2023