

# Charter

## The Charitable Association Alexandra Nanu (AUAN) Charter

### Section 1 – GENERAL ISSUES

Par.1. An association named “The Charitable Association Alexandra Nanu”, mentioned from here on with the Romanian abbreviation AUAN, is formed.

Par.2. AUAN is a private Romanian legal entity.

Par.3. AUAN was started and is functioning following the Romanian legislation regarding similar associations and foundations.

Par.4. AUAN started on November 19, 2011 and will continue for an undetermined time period.

Par.5. AUAN was formed by the free association of the persons listed in Annex # 1, included in this document.

Par.6. AUAN's headquarters is listed in Annex # 2, included in this document.

Par.7. AUAN is a nonprofit organization, it is not connected to any political party, and functions only for charitable reasons.

### Section 2 – PURPOSE, OBJECTIVES AND MEANS

Par.8. Purpose: to provide material, financial and counseling support for children and youths from 6 to 19 years old who have difficult family conditions but wish to complete their studies.

#### Par. 9. Objectives

- establish partnerships with city councils and schools to identify the cases that meet the goals of the association;
- identify the needs of the selected cases;
- establish a plan to provide help;
- determine the ways to provide financial aid;
- implement the support plan;
- monitor the progress of each case.

In order to achieve its objectives, the association may enter in agreements with other persons, groups or associations with similar goals, local or foreign.

#### Par.10. Means

- advance the goal through all available communication channels;
- input from the members of the association;
- recruiting new members, through direct or voluntary participation;
- solicitation of lawful financial or material donations of any kind;
- strategic partnerships with companies, groups or organizations to generate funds or promote cooperation.

Par. 11. AUAN will observe the principles of personal initiative, inclusion and cooperation, friendship, respect, transparency, equity, knowledge, competence, responsibility, loyalty and continuity.

### Section 3 – MEMBERS

Par. 12. The members of the association are grouped as follows:

- Active members: founding members and others who join later, persons interested in achieving the goal of the association and accepting its charter;
- Honorary members: persons or legal entities who bring special services to the association or provide substantial financial support to achieve its goals;
- Supporting members: persons who help the association through financial and moral support;
- Temporary (not “voluntary”!) members: persons who help occasionally the achievement of the association’s objectives.

Par. 13 Active members’ rights:

- To elect and to be elected in the association’s leadership and control committees.
- To participate as voting members in the general assembly meetings of AUAN.
- To initiate and participate in the actions organized by AUAN
- To have access to the association’s database

- To enjoy other advantages offered by AUAN to its members
- To leave the association freely.

Par. 14 Active members' obligations:

- To respect the charter, internal regulations, decisions of the general assembly and the directory committee.
- To work towards achieving the goal and objectives of AUAN
- To pay on time the annual fees and all other contributions established by the General Assembly.
- To avoid creating material losses to the association or to its members, and to compensate for any losses, should these occur.
- To contribute to the updating of the database.
- To announce any changes in the personal status

Par. 15 Supporting members have the same rights and obligations as the active members, except they:

- do not have the right to vote or to be elected in the association's leadership and control committees of the association.
- do not have to pay the annual fee.

Par. 16 The sanctions for all the members are as follows:

- warning
- suspension
- exclusion

Par. 17 The sanctions are applied for breaking the charter and the internal rules.

Par. 18 The enforcement and revocation of sanctions are decided by:

- The directory committee for warning and suspension
- The general assembly for exclusion

Par. 19 The membership ceases to exist under the following conditions:

- Retirement;
- Exclusion
- Death

Par. 20 Once the membership stops, all rights, functions, or other capacities brought by the association are automatically terminated.

Par.21 The relationship between AUAN and its members is guided by the following principles:

- AUAN will not interfere in its members' personal issues and will not influence their relationship with third parties;
- The members preserve complete freedom of action as long as it does not interfere with AUAN's goal and objectives.

#### Section 4 – The General Assembly

Par.22 The General Assembly is the absolute leading arm of AUAN.

Par.23 The General Assembly is composed of the totality of the active members of AUAN.

Par.24 The meetings of the General Assembly may be attended by:

- Honorary members
- Supporting members
- Temporary members
- Invited guests

Par.25 All active members have equal voting rights in the General Assembly.

Par.26 The General Assembly meets in regular or extraordinary meetings.

Par.27 The General Assembly is requested to meet for a regular meeting once a year in the first trimester and for extraordinary meetings whenever necessary.

Par.28 The General Assembly is convened by the Directory Committee or by a minimum of one third of the active members.

Par.29 The General Assembly is called to meet by written invitation to all members, sent out at least 15 days ahead and specifying the date, time, location and agenda.

Par.30 The General Assembly is considered statutory assembled if a simple majority (half + 1) active members are present. If a quorum is not met, the General Assembly will be rescheduled within 7 – 21 days, with the same agenda. The second meeting will be considered legally joined regardless of the number of active members present.

Par.31 The General Assembly Duties are:

- To adopt and modify the Charter and Internal Regulations of AUAN;
- To elect and remove the Directory Committee or some of its members including the AUAN controller;
- To analyze the annual activity reports of the Directory Committee and the Controller and other information and proposals submitted and decide on a course of action;
- To approve the annual financial reports
- To verify the activity of the Directory Committee and the Controller, modify and cancel their decisions and documents considered inappropriate and implement their actions;
- To apply the sanction of exclusion;
- To establish and modify the amount of the annual fees, to institute and modify other contributions as needed;
- To be the last resort decider in case of conflicts between members, between the Directory Committee and Controller or between the members and the Directory Committee;
- To establish and modify the budget, strategy and agenda;
- To establish and modify the insignia of AUAN
- To decide the formation or dissolution of AUAN and corresponding action, based on the law;
- To decide on all the other problems outside the jurisdiction of the Directory Committee.

Par.32. The General Assembly decisions will be adopted through a simple majority vote ( $1/2 + 1$  of all the recorded votes of the present active members), each member having the right to one vote only. In case of parity, the president of the association has the deciding vote. The exception are the decisions regarding the change of the Charter, the goal, the formation, the division, the dissolution of AUAN, where the absolute majority is required ( $1/2 + 1$  of the total active members).

Par.33. The General Assembly decisions will be adopted by open vote, except the votes regarding physical persons (elections, sanctions), when the voting is secret. The General Assembly may use the secret vote for other issues.

Par.34. Those with personal interest in a specific issue, or through family ties up to the fourth grade family connections, or in other conflict of interest, will not be allowed to vote.

Par.35. The decisions of the General Assembly are enforced even for those who missed the meeting or voted against. They may fight them in court, as allowed by the law, if they considered them against the charted or illegal, within 15 days after adoption or, as the case may be, from the date they became known.

Par.36. The General Assembly decisions are recorded in the meeting written notes.

Par. 37. Other details regarding the organization and function of the General Assembly are established through the Internal Bylaws.

## Section 5 – The Directory Committee

Par.38. The Directory Committee of AUAN is elected by the General Assembly, for a period of 1 year and is composed by 9 members:

- The president
- 3 vice-presidents
- 5 members

Par.39. The Directory Committee members must be active members of AUAN and in this capacity will work in their relationship with AUAN as volunteers, obeying the same rules as for a contract with free title and, in the case of illegal acts committed during their function, their responsibility is personal and unique, towards third parties as well as towards AUAN.

Par. 40 The responsibilities of the Directory Committee:

- Convenes the General Assembly
- Approves the admission of new members into AUAN
- Applies and removes the sanctions of warning and suspension
- Adopts and presents once a year in the General assembly the activity report and the financial report of the previous year and the proposed budget and action program for the year, as well as other information and proposals.
- Establishes, as volunteer, the executive director of AUAN
- Controls the activity of the executive director and approves or, if required, ratifies his decisions and acts, changing or cancelling those considered improper

- Decides on issues related to the admission or removal from the inventory and other operations related to buildings and fixed assets
- Establishes the ceiling for asset expenses under which the executive director may operate and approves any instances when the expense will be above that ceiling
- Decides on changing the association's headquarters
- Establishes the policy of moving the members from one category to another one
- Establishes the policy of rewarding the members
- Establishes the method of securing the communication with the members of AUAN
- Makes decisions about AUAN joining or leaving other organizational structures
- Ratifies the contracts and other legal actions completed by the executive director
- Approves AUAN projects and programs, as proposed by the executive director
- Takes any measures needed to enforce the decisions of the general assembly, of AUAN strategy and of the conventions and contracts that AUAN belongs to.

Par. 41 The Directory Committee meets as many times as necessary, at a minimum once every three months

Par. 42 The Directory Committee is convened by the president or the executive director of AUAN.

Par. 43 The Directory Committee is valid only if a minimum of 5 of its members have gathered

Par. 44 The Directory Committee decisions require a simple majority of votes, with the president's vote breaking a possible tie.

Par. 45 In addition to the responsibilities as a member of the directory committee, AUAN president has the following specific responsibilities:

- Conveys the Directory Committee
- Chairs the general assembly and directory committee meetings
- Closes for and in the name of AUAN the sponsorship contracts, partnerships and submits them for approval to the directory committee, if they had no prior approval or if he did not have authority to do so
- Provides final approval for all the important AUAN documents

Par 46. The Directory Committee may delegate some responsibilities to some of its members, either temporarily or permanently.

Par. 47. Other details about the function of the directory committee are established through AUAN Internal Bylaws.

## Section 6 – The Executive Director

Par. 48 The Executive Director provides leadership for the current activity of AUAN and the application of all decisions of the Directory Committee.

The responsibilities of the Executive Director of AUAN are as follows:

- Informs the members of the Directory Committee of all problems
- Convenes the Directory Committee, develops the documents and decisions projects for it, prepares the meetings for the Directory Committee and participates in them without the right to vote.
- Signs all AUAN documents
- Provides legal representation for AUAN in its relationship with physical or judicial persons, in civil cases or in justice.
- Closes for AUAN contracts, conventions, and other documents and submits them for ratification to the Directory Committee, unless they were approved previously or did not have full power to do so
- Establishes, coordinates and controls the way to resolve the correspondence and filing of the information and documentation
- implements, controls and coordinates the organization and management of the filing system and balance sheet of AUAN
- Orders spending and makes decisions on other asset operations, based on the ceiling established by the Directory

#### Committee

- Keeps and uses the stamp of AUAN
- Approves the acceptance or removal of assets and other operations regarding inventory items and other goods, except buildings or fixed assets
- Completes any other leading responsibilities as delegated to him by the Directory Committee

Par. 50 The Executive Director reports to the Directory Committee.

Par. 51 The Executive Director may propose to the Directory Committee the delegation, temporary or permanent, of some of his responsibilities to other persons, members of the Directory Committee of AUAN, who would act in his name.

#### Section 7 – The Censor

Par. 52 AUAN's censor is selected by the General Assembly of AUAN for a period of one year.

Par. 53 The censor is an active member of AUAN, preferably familiar with financial issues.

Par. 54 The censor cannot be a member of the Directory Committee and must not be in a severe conflict of interest through his contacts with AUAN or through his connections with people in the leading positions within AUAN.

Par. 55 The censor's responsibilities are as follows:

- To verify the activity of the Directory Committee, the Executive Director and of the executive structures in all aspects, including the internal legality, the advisability and efficiency of all acts and actions;
- To inform the general Assembly about his findings;
- May take part in meetings of the directory Committee, without the right to vote.

Par. 56 In his activities, the censor is independent of the Directory Committee and reports only in front of the General Assembly of AUAN.

Par. 57 Other details about the censor are decided through the Internal Bylaws.

#### Section 8 – The Internal Bylaws

Par. 58 The objectives of the Internal Bylaws are:

- To establish the way to interpret and apply the articles of AUAN's charter
- To clarify the unregulated aspects or those without sufficient detail in the current charter

Par. 59 The Internal Bylaws are decided and modified by the General Assembly

Par. 60 The Internal Bylaws are decided on the basis and respecting the Charter and current legislation and are interpreted and applied as demanded by them.

#### Section 9 – Holdings and Funds

Par. 61 AUAN's initial active holdings is 1,000 (one thousand) lei, representing the equal contribution of the funding members, submitted in totality in cash.

Par. 61.1 AUAN's holdings may include:

- Miscellaneous buildings, transportation vehicles, telecommunication equipment, office equipment, furniture, printouts, and other fixed assets and inventory items.
- Monetary funds, either cash or equivalent bank documents (e.g. checks, certificates, bonds)
- Any other valuables, according to the law, that would help reaching AUAN's goal.

Par. 62 In addition to its holdings, AUAN may keep or have access to assets provided by other persons or legal entities.

Par. 63 The filing, controlling and operating the administration of the holdings is done in accordance with the current laws, the articles of this Charter and the Internal Bylaws.

Par. 64 The holdings can only be used to advance the goal described in Par. 8.

Par. 65 AUAN's assets comes from: donations, sponsorships, purchases, and other legal sources.

Par. 66 Acquiring or removing holdings or any other operations related to the goods are approved by the Directory Committee in the case of buildings or fixed assets and by the Executive Director for all other assets.

Par. 67 AUAN's funds come from:

- The initial holdings;
- The annual fees and other contributions from its members

- Donations, sponsorships
- Funds obtained from state and local budgets
- Interest and shares generated from investments, according to the law
- Funds acquired from its own economic activities, in accordance to the law
- Shares from commercial entities started by AUAN
- Other legal sources

Par. 68 The money transactions are approved by the Executive Director to the level approved by the Directory Committee and by it above that limit.

Par. 69 Nobody is entitled to funds or assets from AUAN's holdings based on previous contributions or any other reason.

Par. 70 In case of termination, the net active holdings of AUAN will be donated to a private Romanian legal entity with an identical or similar goal, as determined by the General Assembly.

Par. 71 Other details related to AUAN's holdings and their administration are determined by the Internal Bylaws and current legislation.

#### Section 10 – Final and temporary dispositions

Par. 72 The reorganization or termination of AUAN will occur following the conditions and procedures of Chapter IX of OG no. 26/2000 and of other related legal dispositions.

Par. 73 With the General Assembly's approval, the function of Executive Director may be cumulated temporarily with the function of president or vice-president of AUAN.

Par. 74 The Charter, in its present form, becomes law from the date AUAN is recorded in the registry of associations and foundations.

Par 75 The current Charter is amended with the provisions of current legislation regarding legal entities.

The current Charter was adopted by the AUAN's General Assembly in its initial meeting which took place at AUAN's headquarters on November 19, 2011 and is signed by all funding members in 7 (seven) originals, signed and certified by an attorney-at-law.