

International Co-operative Alliance

International non-profit association

ARTICLES OF ASSOCIATION

CHAPTER I: NATURE OF THE INTERNATIONAL NON-PROFIT ASSOCIATION

Article 1: Legal form - Name

The association takes the form of an international non-profit association (hereinafter referred to as the “association”).

Its name is "International Co-operative Alliance" (ICA). This name is translated as follows:

- Alliance Coopérative Internationale, ACI
- Internationaler Genossenschaftsbund, IGB
- Meshdunarodny Kooperativny Alliance, MKA
- Alianza Cooperativa Internacional, ACI.

All deeds, invoices, notices, announcements and other documents issued by the association must mention the name of the association, legibly written, immediately preceded or followed by the words “*internationale vereniging zonder winstoogmerk*” or “*association internationale sans but lucratif*” or the abbreviation “*IVZW*” or “*AISBL*”.

The association is governed by title III of the Belgian Law of 27 June 1921 on the non-profit associations, the foundations and the international non-profit associations.

Article 2: Registered Office

The registered office of the association is located at 1030 Schaarbeek (Belgium), Milcampsiaan 105, in the Brussels judicial district.

The registered office may be transferred to whatever other place in Belgium by an ordinary decision of the Board, who will take care of the publication of such transfer in the Annexes to the Belgian State Gazette. A transfer of the registered office outside Belgium requires a decision of the General Assembly.

The association may, by an ordinary decision of the Board, establish branch offices or representative offices in Belgium or abroad.

Article 3: Principles and Values

The association and each of its members adhere to the Statement on the Co-operative Identity as set forth in Articles 4 to 7 of the bylaws.

Article 4: Objects

The association is a global networking organisation, organised at global, regional, sectoral and thematic levels. It is a worldwide representative of co-operative organisations of all kinds and has the following objects:

- a. Serving as a forum for exchange of experience and as a source of information on co-operative development, research and statistics;
- b. Co-ordinating actions for the promotion of co-operative development; and
- c. Collaborating with global and regional institutions including the United Nations organisations, and with any other government and non-governmental international and national organisations which pursue aims of importance to co-operatives.

The association will not affiliate itself to any political or religious organisation and will maintain independence in all its activities.

In addition, the association may accomplish all commercial, industrial and financial operations, which may support or promote in a direct or indirect manner its objects and that are compatible with the not-for-profit purpose it pursues. It may acquire all movable or immovable property, even if it is not, in a direct or indirect manner, related to the association's objects.

It may participate in any manner, cooperate or merge with any existing or not yet incorporated associations, businesses, enterprises or companies having identical, similar or related objects, or that are likely to promote its not-for-profit purpose.

The objects can be amended, expanded or limited by decision of the General Assembly deliberating and deciding as required for an amendment to the articles of association.

Article 5: Term

The association is incorporated for an indefinite duration.

It can be dissolved by decision of the General Assembly deliberating and deciding as required for an amendment to the articles of association.

CHAPTER II. MEMBERSHIP

Article 6: Categories of Members

Organisations which conform to the ICA Statement on the Co-operative Identity and observe the aims of the ICA are eligible for membership of the ICA.

Organisations are eligible for two types of membership:

1. Members (i.e. full members with voting rights); and

2. Associate Members.

1. Members:

- I. National unions or federations of co-operative organisations;
- II. National confederations of co-operative unions (apex organisations);
- III. National co-operative business organisations with majority individual ownership;
- IV. Individual co-operative organisations; and
- V. International and regional (supranational) federations or unions of co-operative organisations.
- VI. Mutual organisations that comply with the ICA Statement on Co-operative Identity are eligible to become Members with full voting rights.

2. Associate Members:

- I. Organisations entitled in principle to member status, but that are not ready to apply for membership, may be accorded associate member status for a one or two-year period to enable them to participate in the ICA, mainly at the regional and sectoral level, before applying for membership.
- II. Organisations who are not otherwise eligible to be members:
 - a. Organisations which are supporters of co-operatives or are owned and controlled by co-operatives;
 - b. Educational research and other institutions which promote or finance co-operatives and the co-operative movement; and
 - c. Agencies and departments of governments relevant to co-operatives.

Article 7: Rights and obligations of Members and Associate Members

Members and associate members individually pay an annual subscription fee in accordance with the formula established in the bylaws.

Subject to the proper and timely fulfillment of their financial obligations towards the association, members and associate members have the rights conferred to them by these articles and the bylaws.

The number of voting rights of members is determined in accordance with the formula established in the bylaws. Associate members do not have voting rights in the ICA's global or regional structures.

Article 8: Accession of New Members

The Board decides on the accession of new members. Anyone who wishes to accede to the association has to send a written request to the Board by official mail. The Board does not need to motivate its decision concerning the accession of a new member. If the Board rejects a request, the applicant can file an appeal with the General Assembly. The Board determines the financial conditions of such accession.

The acceding member must accept the articles of association and the bylaws of the association.

The accession of a new member is established by the record in the membership register. The Board keeps the membership register, which may be in electronic form, at the registered office of the association. Members may consult this register at the registered office of the association.

Article 9: End of Membership

Membership of the association comes to an end:

- by voluntary resignation;
- by exclusion; or
- in the event of termination of membership by force of law as set out in article 12.

Article 10: Voluntary Resignation

Any member may voluntarily resign from the association at any time by notifying his decision to the Board by official mail.

Resignation is however only allowed if such resignation does not reduce the number of members to less than three.

Members that resign are obliged to fulfill their financial obligations toward the association for the year during which the resignation is submitted and for all previous years.

Article 11: Exclusion

Members and associate members may be excluded for sound reasons or for non-compliance with these articles of association or the bylaws.

Article 12: Termination of Membership by Force of Law

Membership of the association ends by force of law in the event of bankruptcy, obvious insolvency or in the event of liquidation of a member-legal entity.

Article 13: No Entitlement to Assets

Members that resigned or were excluded and the legal successors of such members have no claims on the assets of the association and may never be reimbursed for dues paid, contributions

or any other payments made to the association, unless otherwise expressly provided for in these articles of association.

Article 14: No Liability of the Members

Members are not personally liable for debts of the association.

CHAPTER III – BODIES OF THE ASSOCIATION

Article 15: Composition of the Board – Appointment – End of Mandate

The association is managed by a Board, consisting of physical persons who are accredited representatives of the nominating member. The Board is composed of one president, four vice-presidents, four sectoral organisation representatives, a youth co-operator representative, the chair of the Gender Equality Committee and 15 other Board members.

The sectoral organisation representatives and the youth co-operator representative are nominated by their respective constituents based on criteria and terms of reference established by the ICA Election Committee and are formally elected by the ICA General Assembly.

The chair of the Gender Equality Committee is automatically nominated to the Board for formal election by the ICA General Assembly.

Members from one country may not have more than one representative on the Board, excluding the President and vice-presidents of ICA, Board members representing ICA sectoral organisations, the youth representative and the chair of the Gender Equality Committee, always keeping in mind the representative nature of the Board. This should be monitored by the Election Committee.

The Board members are appointed by the General Assembly for a term of 4 years.

Board members will not receive any remuneration for exercising their mandate.

Board members may resign at any time, by giving notice to the Board.

No person is entitled to serve on the Board whose organisation is no longer in membership of the ICA or is in arrears with its membership subscription fee, or who has ceased to be an accredited representative of the nominating member or, in the case of vice presidents, of the respective regional assembly.

The Board may remove one or more of its members during their term of office, in the case of action contrary to the interests of the ICA or non-compliance with the ICA Board Standing Orders and Code of Governance, following recommendation provided by the Governance Committee. Board members may also be removed during their term of office by a vote of two-thirds of the votes at the General Assembly.

Outgoing Board members may be re-elected.

In case of a vacancy in the Board, the place should be filled by direct elections to be held at the next General Assembly.

Article 16: Internal Decision Power and Organisation of the Board

The organisation of the Board is set forth in this provision and supplemented by the provisions set forth in the Board Standing Orders.

The Board is convened by the president at least once a year. In addition, the president convenes the Board when the association's interest requires so or when one-third of the members of the Board request it.

The meeting of the Board is held at the registered office of the association or at any other place stated in the convocation letter.

The convocation letters contain the agenda and are notified by regular letter, e-mail or any other means of communication and sent at least five full days before the meeting taking place, except in the event of urgency that is to be reasoned in the minutes of the meeting.

Except in the event of force majeure to be reasoned in the minutes of the meeting or in the event of a special attendance quorum required by these articles of association, the Board can only validly deliberate when half of its members are present. However, if the required quorum is not reached at the first meeting, the meeting can be reconvened with the same agenda. At this new meeting, the board can validly deliberate and take decisions notwithstanding the number of Board members present.

The meetings of the Board can be held by telecommunication means that allow for a collective deliberation, such as telephone or video conference. In such event, the meeting will be deemed to be held in the registered office.

Decisions of the Board can be taken in writing, absent objection by any member. Email communications are accepted as a form of writing.

Decisions will be taken by a simple majority of the votes cast, unless the articles of association require a special majority.

Abstentions, blank and null votes are not taken into account for the calculation of the required majority.

Each absent Board member may, by way of any form of communication that can be reproduced in written form, authorize another member of the Board to represent him and to vote on his behalf, but subject to approval by the Board. In such case the absentee will not be regarded as present for the quorum.

Deliberations and votes of the board are recorded in minutes, signed by at least a majority of the members which have participated in the deliberation.

Copies of or extracts from these minutes shall be signed by the president or by two Board members. The minutes will be kept at the registered office of the association.

Article 17: Powers of the Board

The Board has the following powers:

- a. Develop and monitor a global strategy for the ICA;

- b. Control the affairs of the ICA between the meetings of the General Assembly;
- c. Prepare the agenda and organize the meetings of the General Assembly;
- d. Decide on all membership applications and related issues;
- e. Approve and monitor the ICA budget;
- f. Take decisions on investments, creations of special funds, borrowings, mortgages and buying and selling of real estate, and strategic acquisitions;
- g. Be responsible for the appointment or removal and the remuneration of the Director-General of the ICA;
- h. Receive annual reports from the Auditor of the ICA;
- i. Establish committees, including an Audit Committee, and working groups from among its members and others, and decide upon their Terms of Reference;
- j. Appoint a Vice President to act in the absence of the President; and
- k. Set out Board Standing Orders and a Code of Governance under which it will operate.

Article 18: Day-to-day Management – Delegation of Powers

The Director-General will be charged with the day-to-day management of the ICA, as well as the external representation regarding such management.

The Board may also delegate the execution of part of its powers to a Board member or third party by way of a special proxy that is limited both in time and in scope. This delegation needs to be signed by a majority of Board members.

The Board will determine the remuneration of such third parties to whom it has delegated powers, which will be charged to the general expenses of the association.

Article 19: External Representational Power

The association will be validly represented at law, as plaintiff and as defendant, and towards all third parties in all deeds, including deeds requiring intervention of a civil servant or a notary, by the Director-General, notwithstanding the general power of representation of the Board acting collectively through the majority of its members.

Article 20: Control

A statutory auditor will be charged to monitor the financial position, the annual accounts and the conformity of the transactions to be reflected in the annual accounts with the law and the articles of association. The auditor will be appointed by the General Assembly amongst the members, physical persons or legal entities, of the Belgian Institute for Statutory Auditors (*Instituut der Bedrijfsrevisoren*). The statutory auditor will be appointed for a renewable term of three (3) years. The statutory auditor can only be discharged for legitimate reasons by the General Assembly, under penalty of damages.

The association does not have to appoint a statutory auditor as long as it does not reach the thresholds mentioned in article 53, § 5, sec. 1 and 2 of the Law of 27 June 1921.

If the association does not appoint a statutory auditor, each member individually has the power of investigation and verification of the statutory auditor. The member may be represented by an accountant. Remuneration of the accountant will be at the association's expense if the accountant is appointed with the association's permission or if a judicial decision decides this way. In such events, the accountant's remarks will be communicated to the association.

CHAPTER IV. GENERAL ASSEMBLY

Article 21: Composition – Powers

A validly convened General Assembly represents all members; its decision binds them all, present or not, dissenting or not. The Board may establish targets for the representation of women at the General Assembly.

The General Assembly has the powers attributed in the law and in these articles of association.

The General Assembly has the power:

- a. To complete the articles of association and to regulate or specify their application by internal regulations. Members are subject to these internal regulations as a consequence of their membership. The General Assembly can only enact, amend or abolish these regulations with the same quorum and majority needed for an amendment of the articles of association;
- b. To express and to implement policy concerning important matters about the future of the association and the worldwide co-operative movement;
- c. To approve the strategic plan and the financial framework;
- d. To appoint the president and the Board and to approve the appointment of vice-presidents, sectoral organisations and youth representatives with the Board;
- e. To appoint the statutory auditor;
- f. To decide on the annual contribution of members and the rules on members' representation in the General Assembly.
- g. To approve the audited annual accounts; and
- h. To approve the foundation or dissolution of regional entities of the association and their regional assembly, sectoral organisations and thematic committees, at the board's advice.

Article 22: Notice of General Assembly – Annual Meeting

The General Assembly is convened by the Board by letter, e-mail or any other means of communication. The notice contains the agenda; it has to be sent to the members at least eight

(8) days before the General Assembly. If all members attend the meeting or are validly represented, no convocation is necessary.

The General Assembly is convened at least once each year, between 1 April and 30 June, to approve the annual accounts for the previous financial year, the budget for the current year and to vote on discharging members of the Board and the auditor, if applicable.

Members shall be notified of extraordinary General Assemblies as well. The Board has to convene an extraordinary General Assembly when asked by more than one-fifth of the members, or by members who represent at least one-fifth of the total number of votes, or by the statutory auditor.

The General Assembly is held at the association's registered office or at any other place stated in the convening notice.

The General Assembly is organised in accordance with the General Assembly Standing Orders and the bylaws.

Article 23: Minutes

The minutes of the General Assembly meetings shall be drawn up by the secretary and signed by the members of the bureau and the members that so request. They are registered in a special register. Proxies will be attached to the minutes of that Assembly.

Copies or extracts of these minutes shall be signed by a managing Board member.

Article 24: Deliberation and Quorum

The General Assembly deliberates validly, irrespective of the number of members present or represented, save where the articles of association request a specific quorum.

Members are considered to be present and participating in the General Meeting if they are physically present, or represented, and if they participate in the General Meeting by technical means of communication, authorised by the Board. Remote participants participate in the meeting to the same degree as physically present participants. The Board decides whether or not to authorise such remote presence at each meeting and specifies the technical conditions for such remote presence in the convocation notice.

In all such cases where the articles of association request a specific quorum, if such condition is not met, a new General Assembly will be convened. This new General Assembly subsequently has the power to decide validly irrespective of the number of members present or represented.

Members can take all decisions within the powers of the General Assembly unanimously and in writing.

Article 25: Voting Rights

Each member has at least one vote at the General Assembly. The number of votes is based on the number of individual members represented by each Member and is calculated in accordance

Amendments adopted by the General Assembly of 13 November 2015 held in Antalya, of 17 November 2017 held in Kuala Lumpur, of 17 October 2019 held in Kigali, and of 16 December 2019 held in Brussels.

with the rules set forth in the bylaws, provided that no single Member or group of Members from one country has more than 25 votes, excluding the president of the ICA. The president has one vote.

In the case of an equality of votes being given on any question, the president declares the proposition 'Not carried'.

Voting is done by show of hands, ballots, electronic means, or calling off names, unless the General Assembly decides otherwise. Appointing Board members and statutory auditors is done by secret vote.

Article 26: Majority

The General Assembly decides a majority of the votes cast, save where the articles of association require a larger majority. Abstentions and blank votes are not taken into account for the calculation of the majority.

Article 27: Changing the Articles of Association – Drafting or Changing the Bylaws

Proposals to amend the articles of association or the bylaws may only be submitted to the General Assembly by the Board, or by a special committee appointed by the General Assembly for that purpose, or by not fewer than five members.

Whenever the General Assembly has to take a decision concerning a change of the articles of association or a draft or change of the bylaws of the association, it can only validly deliberate and decide when the convening notice has set forth specifically which changes are proposed.

A valid decision on these subjects requires a majority of two-thirds of all validly cast votes.

CHAPTER V – FINANCIAL YEAR – INVENTORY – ANNUAL ACCOUNTS

Article 28: Financial Year – Inventory – Annual Accounts – Annual Report

The financial year begins on January 1 and ends on December 31 of each year.

Following the end of each financial year, the Board makes an inventory and draws up the annual accounts. The annual accounts are composed of a balance sheet, a profit-and-loss account and a Board report and constitute a whole. They will be drafted and published in conformity with the applicable law.

Following the end of each financial year, the Board drafts a report on its activities and on the financial situation of the association.

CHAPTER VI. DISSOLUTION – LIQUIDATION

Article 29: Dissolution – Appointment of Liquidators – Powers of the Liquidator

Amendments adopted by the General Assembly of 13 November 2015 held in Antalya, of 17 November 2017 held in Kuala Lumpur, of 17 October 2019 held in Kigali, and of 16 December 2019 held in Brussels.

Apart from legal or judicial dissolution, the association can be dissolved at all times by a decision of the General Assembly, deliberating and deciding as necessary for a change of the articles of association.

In case of dissolution of the association, the General Assembly shall appoint one or more liquidators. If no decision is taken, the then-current Board members will legally be considered as liquidators, not only to receive notifications and services, but to actually liquidate the association, not only before third parties, but before members as well. They will act both internally and externally in the same way as when they were acting as Board members.

Liquidators have all powers mentioned in the articles 185, 186 and 187 of the Belgian Companies Code, without the necessity of a special authorisation by the General Assembly. However, the General Assembly has the power to limit these powers by a simple majority decision.

Article 30: Liquidation

All of the association's assets will be converted into cash, unless the General Assembly decides otherwise.

After paying off all liabilities, the remnants will be allocated to a purpose as closely related as possible to the association's not-for-profit purpose.

CHAPTER VII: GENERAL PROVISIONS

Article 31: Election of domicile

Board members, statutory auditors and liquidators with a domicile abroad are supposed to elect their domicile at the association's registered office for the time of their appointment, where all summons and notifications concerning the association's affairs and responsibility for their management and supervision can be done.