STATUTE
OF THE FOUNDATION
MICROFINANCE CENTRE

General Provisions

§ 1
1. The Foundation entitled the "MICROFINANCE CENTRE", hereafter referred to as the "Foundation", was established pursuant to a deed notary drawn up in 1997 in Warsaw by the following founders: Rosalind Sarah Copisarow, Maria Nowak-Przygodzka and Kenneth Dan Vander Weele, hereafter referred to as the "Founders".

2. The Foundation shall be governed in its operations by Polish Law on Foundations and by the provisions of the present Statute.

§ 2
The Foundation shall operate as a legal entity.

§ 3
The Foundation’s registered office shall be in Poland’s capital city, Warsaw.

§ 4
1. The Foundation may have branch offices, including branches outside Warsaw and may establish other organizational units.
2. The Foundation conducts its operations in the territory of Poland, although in order to properly achieve its mission, it may also operate beyond Poland's boundaries.
3. In its foreign economic relations, the Foundation may use a translation of its title in selected foreign languages.

§ 5
The Foundation shall use an oval seal bearing a circular inscription of its title, seat and a specification of its legal status as a "Foundation" and stamps bearing data identifying the Foundation.

Objectives and principles of the Foundation’s operations

§ 6
The Foundation's mission is to support organisations assisting in development of micro-entrepreneurship as well as to support any other activities aimed at alleviating the effects of poverty and to counteract the effects of unemployment in Poland, other Central and Eastern European countries and the countries of the former Soviet Union.

§ 7
The Foundation shall achieve its objectives by:
1. providing financial, practical, organizational and intellectual assistance to entities operating within the scope of the Foundation's own objectives,
2. organizing and providing (financial, practical, organizational or intellectual) assistance through exchange of expertise and by propagating knowledge of potential and existing activities undertaken within the scope of the Foundation’s objectives.
3. organizing discussions, seminars, symposia, conferences, lectures, workshops and training programs,
4. organizing and financing research, analyses and evaluations,
5. organizing and financing on-the-job-training, practical courses and exchange visits for individuals engaged in activities that fall within the scope of the Foundation’s objectives,
6. publishing and distributing training materials and other publications,
7. financing the hire of experts, consultants, and lecturers,
8. presiding over and conducting foreign assistance programs,
9. facilitating access to domestic and foreign political, legal, economic and social information,
10. co-operating with national and foreign individuals and institutions conducting activities that fall within
the scope of the Foundation’s objectives,

§ 8

In order to achieve its objectives, the Foundation may support activities of other individuals and institutions
whose operations are similar in objective.

The Foundation’s assets and revenues

§ 9

The Foundation’s assets consist of its founding fund and other property obtained or purchased by the
Foundation in the course of its activities.

§ 10

1. The Foundation’s revenue is derived from:
   1) domestic and foreign donations, inheritances and bequests,
   2) specific subsidies and grants,
   3) public contributions and functions,
   4) the Foundation’s movable and immovable property,
   5) the Foundation’s bank deposits and investments.

2. Revenues derived from subsidies, donations, inheritances and bequests, along with interest from bank
   deposits originating from these sources may be used to achieve any of the Foundation’s objectives
   unless donors specify otherwise.

3. Acceptance of a donation or an inheritance shall not result in the Foundation taking responsibility for
debts exceeding the value of the property so donated.

4. In the event of the Foundation accepting donations or bequests, its Board of Directors shall submit
   legally required declarations of the same.

The Foundation’s governing bodies

§ 11

The Foundation’s governing bodies are:
   1) the Foundation’s Board of Directors, hereafter referred to as the "Board",
   2) the Foundation’s Management Board, hereafter referred to as the "Management Board".

The Foundation’s Board

§ 12

1. The Board consists of not less than 3 and not more than 7 members.
   A Board member may be an individual or a legal entity that shall act through the mediation of its
   representative.
   Membership of the Board may not coincide with fulfilment of a function on the Management Board.

2. The term of office for Board members shall be 3 years.

3. The Board shall consist of the Founders, along with individuals appointed by the same. The Founders
   may, by a unanimous decision expressed in writing, bestow their rights on the Board, either for a
   specified period or on a permanent basis, to appoint a specific number of members. Board members,
   with the exception of Founders, shall be recalled by the Board.

4. Except for the case described in sections 2 and 3, membership of the Board shall likewise cease when a
   member submits a written resignation or when the resignation is included in the minutes of a Board
   meeting, or in the case of individuals, on a member’s demise, or failure to attend two successive Board
   meetings or in the case of institutions – on its liquidation.

5. Members shall not accept remuneration for their participation in the work of the Board. Board members
   shall be entitled to reimbursement of documented expenses relating to participation in the work of the
   Board.
§ 13

1. The scope of the Board's authority shall include:
   1) establishing the fundamental direction of the Foundation's operations,
   2) recommending appropriate methods and programs to be followed in the achievement of established goals, and giving opinion on issues presented by the Management Board,
   3) supervising the operations of the Foundation
   4) effecting any amendments to the Foundation's present Statute,
   5) appointing and recalling the Management Board or particular members of the same and determining their salaries and any other benefits,
   6) approving the regulations to govern the Management Board’s activities,
   7) evaluating the work of the Management Board and granting it specific powers,
   8) establishing terms of reference for Board activities,
   9) approving cost projections and the Foundation's budget,
   10) examining and approving annual reports on the Foundation’s activities, its financial standing and the status of all remaining Foundation assets, as presented by the Management Board,
   11) appointing auditors to examine the Foundation's financial reports,
   12) investigating any complaints concerning the Foundation's operations,
   13) other responsibilities as provided for in the remaining provisions of the Foundation's Statute.

2. Members of Task Committees shall be appointed and recalled by the Board, while the chairperson of each Task Committee shall be appointed by the Board from among its members.
   The Chairpersons of each Task Committee shall submit all documentation as prepared by their Task Committee deemed necessary for the Board to pass resolutions, as well as annual reports on their Task Committee's activities.

3. Board members shall promote the Foundation’s chosen objectives, the Foundation itself and shall assist the Foundation in its fund-raising efforts and its contacts with associates.

§ 14

1. The Board shall elect a Chairperson to direct its work, a Vice-Chairperson, a Secretary, and a Treasurer and shall determine the terms of office for the same. One individual can hold more than one function.

2. The Chairperson of the Board or in the Chairperson's absence, the Vice-Chairperson or a member authorized by the Board Chairperson, shall preside over Board meetings, supervise Board activities and publicly represent the Board.

3. In the absence of the Chairperson or the Vice-Chairperson and where no authority has been granted to any member to preside over a Board meeting, a member shall be elected by those present at that meeting.

4. The Management Board shall ensure appropriate conditions for the work of the Board and its committees.

§ 15

1. Board resolutions shall be passed by a normal majority of votes "for" to "against", with a quorum of at least three Board members. At the same time, all members shall be informed of any Board meeting. In the event of votes being equally divided, the decisive vote shall be cast by the Chairperson of the Board meeting.

2. The Chairperson of the Board meeting shall be responsible for signing any resolutions.

3. Declarations of the Board's intent, on the basis of resolutions, shall be submitted by the Board's Chairperson, or a Vice-Chairperson appointed by the Chairperson, whereas in cases specified in the second sentence of §14, section 3, the person authorized to submit declarations concerning resolutions passed at any Board meeting shall likewise be the Chairperson of that meeting.

The Management Board of the Foundation

§ 16

1. The Management Board shall be composed of from two to five persons appointed by the Board for a period specified in the appointment memorandum. The tasks of the Management Board shall be organized by its Chairperson.
2. The Board shall specify the functions to be carried out by the various members of the Management Board.

3. The Chairperson of the Management Board shall bear the title "Executive Director", while all remaining members of the Management Board shall bear the title "Director".

§ 17

1. The Management Board shall pass decisions by a normal majority of votes "for" to "against" as cast by those members of the Management Board present at its meetings. In the event of votes being equally divided, the decisive vote shall be cast by the Chairperson of the Management Board.

2. Meetings of the Management Board shall be presided over by its Chairperson or another member authorized by the Chairperson. In the absence of the Chairperson of the Management Board and where no other member has been authorized to preside - the member to preside over the meeting shall be selected by those members present. All members shall be informed of Management Board meetings.

§ 18

1. The Management Board shall manage the Foundation's routine operations and its authority shall include decisions on all issues other than those reserved for the authority of other Foundation governing bodies.

In particular, the Management Board shall:
   1) publicly represent the Foundation,
   2) prepare annual and long-term plans for the Foundation's operations,
   3) manage its assets,
   4) accept donations, grants and bequests,
   5) decide on the Foundation’s employment,
   6) appoint the managers of the Foundation’s administrative units.
   7) submit any applications for amendment to the Foundation’s register,
   8) convene Board meetings on its own initiative or on application by the Chairperson of the Board or at least two Board members.

§ 19

1. Subject to section 2, the President of the Management Board acting alone or two other members acting jointly shall be entitled to perform duties, submit declarations of intent and raise financial liabilities in the Foundation's name.

2. The Management Board may appoint attorneys to manage the Foundation's branch offices, specifying the scope of their powers of attorney to submit the declarations discussed in section 1, and likewise attorneys to manage those issues specified by their power of attorney and to submit declarations of intent concerning the same, as discussed in section 1.

Amendments to the Statute

§ 20

An amendment to the Statute may not concern any vital alteration to the Foundation's mission.

§ 21

Decisions on the subject of any amendment to the Statute shall be made by the Board.

Merger with another foundation

§ 22

The Foundation may merge with any other foundation in order to effectively achieve its mission.

§ 23

A merger with another foundation may not take place where this might result in a substantial change in the Foundation's mission.
The Management Board shall be the appropriate body in all issues relating to a merger with another foundation, while at the same time its decisions shall be based on unanimous votes and may only be passed following approval by the Board.

**Liquidation of the Foundation**

§ 25
The Foundation shall undergo liquidation once it has achieved the mission for which it was established or in the event of its financial and fixed assets being exhausted.

§ 26
1. The decision to liquidate the Foundation shall be made by the Management Board, based on a unanimous vote and following approval by the Board.

2. Upon liquidation, the remaining assets shall be distributed to the charitable organization Polish Humanitarian Action, registered by the Polish Courts in Warsaw department XVI, registration no 4443, and in case of its liquidation, to another charitable organization appointed by the court for charitable purposes.

**Special provisions**

§ 27
The Foundation may establish awards, medals and honorary titles and may grant the same along with other rewards and distinctions to worthy individuals and institutions for purposes chosen by the Foundation or for the Foundation itself. These distinctions shall be established by the Board.

The principles and procedure governing the awarding of these distinctions shall be specified by the Board on the basis of proposals by the Management Board.

The present Statute has been unanimously agreed upon by the Founders on December 8th, 1997 and amended on January 23rd, 1998, who hereby signify their approval below.

January 23rd, 1998, Warsaw

Rosalind Sarah Copisarow  Maria Nowak-Przygodza  Kenneth Dan Vander Weele

23.01.98