



Statutes of SOS Children's Village Association of Estonia

PREAMBLE

SOS Children's Village Association of Estonia is a non-profit association which is a member of SOS Children's Villages International and fully agrees with the Preamble of SOS Children's Villages International Statutes as follows:

SOS Children's Villages International takes action for children as an independent non-governmental social development organisation. We respect different religions and cultures, and we work in countries and communities where our mission can contribute to development. We work in the spirit of the UN Guidelines for the Alternative Care of Children and the United Nations Convention on the Rights of the Child and we promote these rights around the world.

OUR PROGRAMME PRINCIPLES

We protect the rights of children who have lost parental care or who are at risk of losing parental care. We believe that the best environment for children to develop to their full potential is in a family where every child has a caring parent (or an alternative parental caregiver) to guide and support them. In our decisions and actions, the best interests of the child take precedence over all other considerations. We achieve this by designing a personalised response to the situation of each child and we inform and consult them in all decisions affecting their lives. We support the family, community and State to strengthen their capacity to assist children and families. We strive to improve the overall framework of conditions for the children and families of our target group through advocacy actions which aim to bring about changes in policies and practices that undermine their development and rights.

The first SOS Children's Village was founded by Hermann Gmeiner in Imst, Austria in 1949. It is the model for the world-wide implementation of his SOS Children's Village concept which has grown into several different programmes and approaches to ensure the holistic development of disadvantaged children in a caring family. Hermann Gmeiner's SOS Children's Village concept is based on four principles: Mother (each child has a caring parent), Brothers and Sisters (family ties grow naturally), House (each family creates its own home) and Village (the SOS family is a part of the community).

Our vision is: "Every child belongs to a family and grows with love, respect and security". To bring this vision to life, we the members of SOS Children's Villages International commit to the following:



PRINCIPLES OF COOPERATION

We are a federation of autonomous, interdependent member associations and support each other in a spirit of solidarity.

We the member associations value our autonomy as associations within our own countries and we equally cherish the membership in the global federation. We strive for a balance between the two.

We commit to giving the interest of children and the federation precedence over individual members' interests.

We share resources and find relevant ways of supporting each other in our work to fulfil the federation's vision, mission and values and its objectives.

We acknowledge that our individual actions and performance impact all other member associations. Therefore, we commit to follow these principles of cooperation and the agreed-upon binding policies.

We continuously grow and develop our programmes pursuing the highest possible impact and ensure their viability by fostering a mutually respectful partnership between the member associations. We start and run programmes to help children and families which are necessary and appropriate in our member countries, and provide them with adequate financial and human resources. By constantly pursuing and measuring programme quality and impact, we ensure programme relevance and sustainability.

In order to safeguard the financial viability of our programmes, we support a close connection between donors and programmes including direct lines of communication between member associations.

We are jointly responsible to promote, strengthen and protect our global brand. Our brand is our most valuable asset and requires our common efforts to uphold and develop its quality. Our brand reflects our vision, mission and values, and it includes the way in which we promote the rights of children as articulated in the UN Convention on the Rights of the Child. The brand also includes our total commitment to child protection, integrity and the protection of gender equality.

NAME, REGISTERED OFFICE, OBJECTIVE AND POWERS

1 NAME AND REGISTERED OFFICE

1.1 Name of the non-profit association (in English) is SOS Children's Village Association of Estonia.

1.2 Registered office of SOS Children's Village Association of Estonia (**Association**) shall be in Tallinn.

2 OBJECTIVES

2.1 The Association is a non-governmental, non-political and non-denominational organisation operating in the legal form of a non-profit association working mainly in the public interest. All Association funds shall be employed to further the Association's objectives. Main objectives of the Association are:

2.1.1 To further the objectives of SOS Children's Villages International (**SOS-CVI**) located at Hermann-Gmeiner-Strasse 51, POB 443, A-6021 Innsbruck, Austria, of which the Association is a member;

2.1.2 To provide social and financial assistance to children who are orphaned, neglected or in need of assistance for other reasons (**Children**);

2.1.3 To provide Children with a home, a mother/parent, brothers and sisters, and the environment of a community according to the SOS Children's Village family-based care model and the contract signed by the Government of the Republic of Estonia and SOS-KDI on 25 July 1994 and ratified on 9 November 1994 regarding the establishment and operation of SOS Children's Villages and related projects (**Contract**);

2.1.4 To establish SOS-programmes and to organise work for the benefit of SOS-children and youths;

2.1.5 To serve as a model for other similar organisations working in the field of child development, child care and education and to organise activities according to the principles of the Association;

2.1.6 To provide professional training and non-formal education for adults;

2.1.7 To make every effort to support and/or initiate programmes, activities or projects which aim to provide social assistance to children through various action plans;

2.1.8 To procure funds and to exercise control over their use in order to ensure both the short term and long term economic stability of the Association.

2.2 The Association shall have the right to establish subdivisions and departments and the right to receive revenue from these subdivisions, departments and projects and to accept fees.

2.3 The Association shall operate pursuant to the legislation of the Republic of Estonia, the Contract, the Statutes of the Association (**Statutes**), principles agreed by SOS-CVI and resolutions adopted by the General Meeting of the Association and other bodies of the Association.



2.4 Activities of the Association may be carried out in the whole territory of the Republic of Estonia.

2.5 The Association shall have the rights and obligations prescribed by the Non-profit Associations Act of the Republic of Estonia.

3 LOGO OF THE ASSOCIATION

3.1 The logo of the Association shall be created by the SOS-CVI and no third party shall use the logo without authorisation. The logo is legally protected.

3.2 The logo may only be used to represent and support activities that are consistent with the interests of the Association.

4 MEMBERS OF THE ASSOCIATION

4.1 The Association shall have ordinary members and honorary members (**members**).

4.2 Every person who complies with the requirements of the Statutes and supports the objectives laid down in these Statutes may be an ordinary member of the Association. A natural person applying for ordinary membership of the Association must be at least 18 years old.

4.3 Contract staff working for the Association under any type of contract (employment contract, SOS parent contract, board member contract or service contract) may not be an ordinary member or an honorary member of the Association, except for workers in temporary employment relationships.

4.4 The Association shall comprise at least five (5) members.

4.5 On the death of a natural person their membership in the Association shall expire.

5 ADMISSION OF MEMBERS

5.1 A person wishing to become an ordinary member of the Association shall submit an application to that effect to the Supervisory Board of the Association, the decision on any such application shall be taken by the Supervisory Board at their discretion. The Supervisory Board shall not be required to justify their decision to reject an application. No person shall be admitted as an ordinary member of the Association merely because they wish to support the Association financially.

5.2 The Supervisory Board shall at any time have the right to admit persons who have done the Association a great service, and are particularly supportive of the Association's aims and objectives while participating in the Association's work, as honorary members. The Supervisory Board shall nominate honorary members provided that they have given

their consent. The obligation to pay the membership fee shall not apply to honorary members. The status of an honorary member shall last until the Supervisory Board decides otherwise.

5.3 The Management Board of the Association shall keep records of the ordinary and honorary members of the Association. The Management Board shall keep a register of the members of the Association which shall contain the name, surname, birth date and/or national identification number, address, phone number, email address and other important data about each member.

6 EXCLUSION AND RESIGNATION OF MEMBERS

6.1 The Supervisory Board shall have the right to decide on exclusion of any member of the Association if their actions contradict the principles and objectives of the Association, the Statutes or decisions taken by any Association's body pursuant to the Statutes. The excluded member shall be informed of the decision to exclude them and the reasons for it in writing without delay.

6.2 The Supervisory Board of the Association shall decide to exclude an ordinary member pursuant to the procedure prescribed in Article 6.1 of the Statutes for non-payment of the fee referred to in Article 7.1 of the Statutes by the end of the financial year of the Association, provided that they have been previously sent two overdue notices.

6.3 Members of the Association shall have the right to resign from the Association by submitting a written application to that effect to the Supervisory Board. A member of the Association shall give the Association at least one (1) month advance notice of their wish to resign.

6.4 In the case of termination of membership, the Association shall not reimburse the membership fee or any other fees to the person. The person whose membership in the Association has been terminated shall not be entitled to the Association's assets and shall be obligated to return the Association's assets at their disposal.

7 MEMBERS RIGHTS AND OBLIGATIONS

7.1 All ordinary members of the Association have a duty to pay their annual membership fees during the Association's financial year. The annual membership fee and the payment procedure shall be specified by the General Meeting of the Association based on the proposal by the Supervisory Board.

7.2 Members of the Association shall have the following obligations:

7.2.1 Members shall have a duty to actively promote the objectives of the Association with their activities;

7.2.2 Members shall implement the decisions and measures taken by the Management Board, the Supervisory Board, the General Meeting and other legal bodies of the Association and the provisions of the Statutes;

7.2.3 Members shall have the responsibility to preserve and to protect the good reputation of the Association and to stand for its objectives and principles;

7.2.4 Members shall have a duty to keep the information acquired during the participation in the Association's activities confidential and not to disclose it to the third parties;

7.2.5 Members shall have a duty to pay their annual membership fees pursuant to the resolution adopted by the General Meeting to this effect.

7.3 Members shall have the following rights:

7.3.1 Members shall have the right to participate and to vote in the General Meeting of the Association;

7.3.2 Members shall have the right to make proposals to include issues that need to be decided in the agenda of the General Meeting;

7.3.3 Members shall have the right to participate in the activities of the Association and to make proposals for the promotion and development of its activities;

7.3.4 Members shall have the right to be elected to the Supervisory Board of the Association.

8 GENERAL MEETING OF THE ASSOCIATION

8.1 The highest body of the Association is the General Meeting of the members of the Association (**General Meeting**). The General Meeting shall adopt resolutions on all management matters of the Association which are not placed in the competence of the Management Board, the Supervisory Board or another body of the Association by law or the Statutes.

8.2 The Management Board shall call the General Meeting in the cases and pursuant to the procedure prescribed by law and the Statutes. General Meetings are ordinary and extraordinary. An ordinary General Meeting shall take place at least once (1) a year. An extraordinary General Meeting shall be called if it is required in the interests of the Association and in other cases prescribed by law.

8.3 The General Meeting is competent to:

8.3.1 Decide on amending the Statutes;

8.3.2 Appoint and remove members of the Management Board;

8.3.3 Appoint and remove members of the Supervisory Board;

8.3.4 Decide on conclusion of transactions with the members of the Management Board or the Supervisory Board or members of other bodies of the Association, decide on the terms of the transactions, decide on the conduct of legal disputes and appoint representatives of the Association in such transactions and disputes;

8.3.5 Approve the annual report of the financial year;

8.3.6 Appoint auditors;

8.3.7 Decide on dissolution, division and merger of the Association;

8.3.8 Decide other matters which are not placed in the competence of other bodies by law or the Statutes.

8.4 The Management Board shall send out written invitations to call a General Meeting of the members of the Association, whereby an ordinary General Meeting shall be called every year before June 30. Written notice of the General Meeting of the members of the Association shall be given at least fourteen (14) days in advance. A notice on calling the General Meeting shall set out the date, time and place of the General Meeting and the agenda of the General Meeting.

8.5 The agenda of the General Meeting shall be set by the Supervisory Board. A General Meeting may decide on calling the next General Meeting and settle submissions concerning operational issues related to the agenda or to the procedure for holding the General Meeting without including such matters in the agenda beforehand, and to discuss other matters in the General Meeting without taking decisions on these matters.

8.6 The General Meeting shall be chaired by the Chairman of the Supervisory Board, in his or her absence by a member of the Supervisory Board authorised by the Chairman of the Supervisory Board.

8.7 The General Meeting of the members of the Association shall be quorate if at least fifty-one (51%) of the members of the Association are present. Should fifty-one (51%) of all members be not present thirty (30) minutes after the notified time of the General Meeting, a quorum of the members of the Association that is equal to the number of the members of the Supervisory Board plus one (1) member is required for holding the General Meeting. If the requirement for quorum is not met, a new General Meeting shall be called within two (2) weeks pursuant to the procedure prescribed in the Statutes.

8.8 A resolution of the General Meeting is adopted if over one-half of the members of the Association or their representatives who participate in the meeting vote in favour unless

law or the Statutes prescribe a greater majority requirement. Each member has one vote. In the event of a tie, the Chairman of the meeting shall have the casting vote.

8.9 Members of the Association shall have the right to participate and to vote in the General Meeting. Members of the Association shall be entitled to issue other members a written proxy to participate and vote in the General Meeting on their behalf. Written proxies or their copies shall be appended to the minutes of the General Meeting.

8.10 A resolution of the general meeting shall be deemed to be adopted without calling the General Meeting if all members of the Association vote in favour of the resolution in writing.

9 MANAGEMENT BOARD

9.1 The Management Board of the Association (**Management Board**) is the management body of the Association which shall represent and manage the Association and organise its accounting. The Management Board shall adhere to the legal resolutions adopted by the General Meeting and the Supervisory Board in managing the Association.

9.2 The Management Board shall comprise one (1) to three (3) members who shall be elected for the term of three (3) years.

9.3 If the Management Board comprises several members, the Supervisory Board shall appoint a Chairman of the Management Board from among the members of the Management Board.

9.4 Each member of the Management Board may represent the Association individually.

9.5 Members of the Management Board shall be appointed and removed by the General Meeting based on the proposal by the Supervisory Board. In order to appoint a member of the Management Board, his or her written consent is required.

9.6 A natural person with active legal capacity who complies with the requirements provided by law and who is not a member of the Association may be elected as a member of the Management Board.

9.7 The Management Board may take decisions on the following issues:

9.7.1 Recruitment of staff for the Association, conversion of an employment relationship with the employees and remuneration of the employees;

9.7.2 drawing up and approving internal rules for work procedure which define internal procedures, duties in employment and any other professional obligations in accordance with the structure and the legislation of the Republic of Estonia;

9.7.3 Coordination of the cooperation between the Management Board and SOS-CVI;

9.7.4 Drawing up action plans necessary for the operation of the Association in accordance with the priorities defined by the General Meeting and the Supervisory Board, which shall form a comprehensive plan of action for the Association. The Supervisory Board of the Association shall approve the annual action plans necessary for the operation of the Association and the budget plan pursuant to Article 10.2.3 of the Statutes;

9.7.5 Conclusion of transactions and other operations which remain within the framework of organising daily activities and are not placed in the competence of the General Meeting, the Supervisory Board or any other body of the Association;

9.8 The Management Board may transfer or encumber with a real right immovables or movables of the Association entered in the registry only by a resolution of the Supervisory Board and under the conditions prescribed by the resolution;

9.9 The Management Board shall provide the members of the Supervisory Board with necessary information concerning the management of the Association and present a corresponding report at their request.

9.10 If the Management Board comprises several members, resolutions of the Management Board shall be adopted in the meeting of the Management Board. The meeting of the Management Board shall be quorate if at least ½ of the members of the Management Board participate in it. A resolution of the Management Board is adopted if at least ½ of the members of the Management Board who participate in the meeting vote in favour of the resolution. The Management Board may adopt a resolution without calling a meeting if all members of the Management Board vote in favour of the resolution in writing.

10 SUPERVISORY BOARD

10.1 The Supervisory Board of the Association (**Supervisory Board**) is the management body of the Association which plans the activities of the Association, organises management of the Association and exercises supervision over the Management Board.

10.2 The Supervisory board is competent to:

10.2.1 Plan the activities of the Association in accordance with the resolutions of the General Meeting.

10.2.2 Give instructions to the Management Board to organise the activities of the Association and execute supervision over the Management Board to ensure that the Association operates in accordance with the Statutes, resolutions of the General Meeting and the legislation in force in the Republic of Estonia;

10.2.3 Approve the annual action plans necessary for the operation of the Association drawn up by the Management Board;

10.2.4 Review the budget plans of the Association prepared by the Management Board and approve the budget;

10.2.5 Monitor the use of the funds of the Association and take measures if the funds and assets are not used for intended purposes or if their use is contrary to the legislation of the Republic of Estonia or the Statutes;

10.2.5.1 Decide on allocation of the funds received by the Association to the reserve fund and decide on their use;

10.2.6 Review and decide on membership applications;

10.2.7 Decide on exclusion of a member from the Association;

10.2.8 Approve the time and the agenda of the General Meeting;

10.2.9 Submit proposals to the General Meeting to appoint candidates for members of the Management Board;

10.2.10 Determine the amount of remuneration payable to a member of the Management Board;

10.2.11 Give consent to the Management Board to conclude transactions that are beyond the scope of daily economic activities, taking into consideration that the Supervisory Board shall have the right to establish general rules enabling to conclude certain transactions or operations without the need for consent to be granted in every instance for concluding the transaction or operation;

10.2.12 Decide other issues placed in the competence of the Supervisory Board by the Statutes.

10.3 The Supervisory Board shall comprise five to seven (5-7) members;

10.3.1 Members of the Supervisory Board shall be elected in the General Meeting from among the members of the Association;

10.4 Members of the Supervisory Board shall elect a chairman from among their number;

10.5 Members of the Supervisory Board shall not be remunerated for the tasks they perform;

10.6 Each member of the Association who is a natural person shall have the right to stand as a candidate in the election of members for the Supervisory Board. Members of the Supervisory Board shall be elected in the General Meeting of the members of the Association for the term of three (3) years if the General Meeting does not decide otherwise. In order to appoint a member of the Supervisory Board, his or her consent is required;

10.7 The body that appointed the member of the Supervisory Board and the General Meeting shall have the right to remove the elected or appointed member of the Supervisory Board at any time regardless of the reason.

10.8 The Chairman of the Supervisory Board shall call a meeting of the Supervisory Board in the following cases:

10.8.1 The Chairman of the Supervisory Board deems it necessary and consistent with the interests of the Association to call a meeting; or

10.8.2 three (3) members of the Supervisory Board submit a joint application to the Chairman to call a meeting.

10.9 Meetings of the Supervisory Board shall take place at least once (1) a quarter during the year.

10.10 Notice of the meeting of the Supervisory Board shall be sent to all members of the Supervisory Board at least one (1) week in advance by any means capable of producing a written record.

10.11 Members of the Management Board may participate in the meetings of the Supervisory Board, they are not counted among the participants in the meeting and they participate in the meeting without the right to vote. Parties contracting with the Association or invited guests may be present at the meetings of the Supervisory Board if the Chairman of the Supervisory Board deems it necessary.

10.12 The Supervisory Board shall be quorate if due notification of the meeting of the Supervisory Board has been given in advance and if at least half of the members of the Supervisory Board plus one (1) member are present.

10.13 Decisions of the Supervisory Board shall be taken by a simple majority. In the event of a tie, the member of the Supervisory Board who is chairing the meeting shall have the casting vote.

10.14 The Supervisory Board may adopt a resolution without calling a meeting if all members of the Supervisory Board vote in favour of the resolution in writing.

10.15 Members of the Supervisory Board may vote on draft resolutions based on the items of the agenda using electronic devices prior to the meeting or during the meeting if it is technically possible in a secure manner. Specific arrangements for electronic voting shall be determined by the Supervisory Board.

11 ASSOCIATION'S ASSETS AND REPORTING

11.1 Assets of the Association comprise the following:

11.1.1 Membership fees payable by the members of the Association;

11.1.2 All financial and non-financial resources received by the Association, revenues and fees that have been collected, donated or earned by the subdivisions, departments and projects of the Association. Departments and subdivisions shall have the right to collect fees and receive subsidies allocated to them;

11.1.3 Monetary donations and subsidies allocated to the Association by natural and legal persons and/or organisations operating in the Republic of Estonia and/or internationally;

11.1.4 Funds received from SOS-CVI or other member associations;

11.1.5 Funds received from the State or local municipalities;

11.1.6 Funds received from EU funds or other projects;

11.1.7 Other legitimate revenues.

11.2 The Association may own any assets that are necessary in the pursuit of statutory objectives of the Association and the acquisition of which is not contrary to law. All such funds and assets shall be employed to carry out statutory activities. A member of the Association is not entitled to the funds and assets of the Association.

11.3 The financial year of the Association shall start on 1 January and end on 31 December of the calendar year.

11.4 The Management Board of the Association shall organise the accounting of the Association in accordance with the Accounting Act. The Management Board shall ensure proper compliance with the generally accepted accounting principles and practices

11.5 The Management Board shall ensure that as soon as reasonably possible but no later than six (6) months after the end of the financial year, full and proper annual reports of the accounting year and of the activities are prepared and verified by an auditor, in accordance with the Accounting Act and SOS-CVI requirements. The annual report shall be approved in accordance with the law.

11.6 The General Meeting shall appoint an auditor.

11.7 All funds of the Association of any kind shall be at the Association's disposal at any given time and full and proper accounts shall be kept of them in accordance with the legislation in force in the Republic of Estonia and the accounting practices of SOS-CVI.

11.8 The Association shall have bank account(s) to which all local and international revenues and fees are transferred and from which all budgeted amounts shall be transferred to the subdivisions, departments and projects of the Association.

11.9 At the start of the financial year, the Management Board shall calculate the expected revenue and expenditure for the following financial year in the form of a budget for the Association, and shall submit the budget to the Supervisory Board for approval pursuant to Article 10.2.4 of the Statutes.

12 AMENDMENT OF THE STATUTES

12.1 A resolution on amendment of the Statutes is adopted if over two-thirds (2/3) of the members or their representatives who participate in the General Meeting vote in favour.

12.2 The consent of at least 9/10 of all members is required to change the objective of the Association prescribed by these Statutes. The consent of members who did not participate in the General Meeting which decided on amendment shall be submitted in writing.

13 DEPARTMENTS OF THE ASSOCIATION, THEIR ESTABLISHMENT, RESTRUCTURING, DISSOLUTION AND RELATIONS WITH OTHER BODIES OF THE ASSOCIATION

13.1 The Association may have departments and programmes. The Supervisory Board shall decide on the establishment, restructuring and dissolution of departments and programmes. The Management Board shall select, appoint and remove heads of the departments and programmes.

13.2 The departments and programmes of the Association shall obey the laws of the Republic of Estonia, the Statutes and their own basic regulation in conducting their activities.

13.3 The Management Board shall manage the activities of the Association in accordance with the objectives and tasks of the Association prescribed in the Statutes.

14 DISSOLUTION, MERGER AND DIVISION OF THE ASSOCIATION

14.1 Merger or division of the Association shall be decided by a resolution of the General Meeting. The General Meeting shall decide to merge or divide the Association if it is in the interests of the Association and in accordance with SOS-CVI principles. A resolution



on the merger or division of the Association is adopted if over two-thirds of the members who participate in or are represented at the General Meeting vote in favour.

14.2 The Association shall be dissolved on the bases prescribed by law. Dissolution of the Association may be decided by a resolution of the General Meeting. The General Meeting shall decide to dissolve the Association if it is in the interests of the Association and in accordance with SOS-CVI principles. A resolution on the dissolution of the Association is adopted if over two-thirds of the members who participate in or are represented at the General Meeting vote in favour.

14.3 In case of the dissolution of the Association any assets remaining after satisfying or securing the creditors and depositing the money shall be transferred to an association included in the list of non-profit associations and foundations entitled to income tax credit or to a legal person in public law, based on the resolution to this effect adopted by the General Meeting of the Association. The person to whom the assets are transferred must use them in accordance with the objectives of the Association to the fullest extent possible.

14.4 Specific procedure for dissolution, merger and division of the Association is provided by the Non-profit Associations Act.

These Statutes have been approved by the General Meeting of the members of the Association on 21 November 2019.

Digitally signed

Margus Oro

Member of the Management Board of SOS Children's Village Association of Estonia