INSTITUTO SOCIOAMBIENTAL
Founded 22 April 1994

ARTICLES OF ASSOCIATION
(As amended by the General Assembly on 11 June 2016)

I: THE ASSOCIATION

Article 1 The Instituto Socioambiental, a non-profit association, with no party political affiliation or embodying any distinctions of faith, race, ethnicity, class, sexual orientation or gender is hereby established for an unlimited duration with its headquarters in the city of São Paulo.

1.1: A secondary office is hereby established in the city of Brasilia; other offices may be established as and where necessary.

1.2: In order to advance public understanding of socio-environmental issues, the fulfilment of its institutional objectives and the impact of its activities, the Association may permit other organizations to adopt the name “Instituto Socioambiental”, subject to observation of the following minimum conditions:

a) The constitution of the organization must incorporate the institutional objectives contained in Article 2 of the present Articles of Association;

b) The proposal must be presented to the Governing Council by at least five founding or admitted members, together with a detailed report on the organization’s operational situation and its relationship to the Association, and be approved by the General Assembly by at least two thirds of members present;

c) The Association shall be entitled to speak at meetings of the General Assembly of the organization;

d) The organization shall be entitled to speak at meetings of the General Assembly of the Association;

e) The act of approval shall establish rules for a preferential partnership between the organization and the Association, including mutual obligations, and shall specify the circumstances under which the agreement may be revoked.
II: INSTITUTIONAL OBJECTIVES

Article 2  The objectives of the Instituto Socioambiental are to:

a)  Promote the defence of social property and rights, both collective and diffuse, relating to the environment, cultural heritage, human rights and the rights of peoples;

b)  Encourage socio-economic development by enabling access to and democratic and ecologically sustainable and management of natural resources, with a view to conserving cultural and biological diversity for present and future generations;

c)  Support, undertake and disseminate research and studies, organize documentation and carry out projects to defend the environment, cultural heritage, human rights and the rights of peoples, in particular those of indigenous peoples and traditional populations;

d)  Promote interchange with other national and international organizations and bodies for the defence of environmental, cultural and peoples’ heritage, in particular in Latin America and the Caribbean, and for the carrying out of research and studies in the different fields of knowledge relevant to its activities;

e)  Disseminate by any means information and knowledge resulting from its activities or those of third parties relevant to its activities;

f)  Support improvement of and compliance with legislation that furthers achievement of the present objectives;

g)  Support and carry out precautionary and participative research to combat all forms of social and environmental degradation, including assessment of environmental impacts resulting from human activities.

2.1: To achieve its objectives the Association may, individually or in cooperation with others:

a)  Organize documentation and information services;

b)  Produce, publish, edit, distribute and disseminate books, magazines, videos, films, photographs, tapes, records, magnetic or optical disks, other materials, exhibitions, radio broadcasts, and by other means;

c)  Research, record, edit and disseminate images, music and testimonies relating to the range of its activities;

d)  Document, by any means, its various activities, together with facts and issues relevant to its objectives;

e)  Distribute and sell products and materials produced by the Association or third
parties, with due regard to the social objectives of the Association;

f) Undertake civil action and other legal initiatives for the purpose of defending social property and rights, both collective and diffuse, especially those relating to the environment and cultural heritage;

g) Provide legal services to support and defend the environment and the rights of peoples, communities and civil society organisations;

h) Provide advice and consultancy services to public and private organizations for the planning, assessment and carrying out of projects;

i) Enter into agreements, contracts, partnerships, technical cooperation agreements, agreements to collaborate, supporting arrangements, amongst others, for the provision of services to other public or private institutions or third parties;

j) Carry out, organize, promote or participate in cultural events such as debates, conferences, seminars, courses and congresses;

k) Undertake and promote interchange with other institutions for the common defence of environmental and cultural heritage and the rights of peoples, with particular emphasis on Latin America;

l) Support comparative legal studies together with anthropological, geographical, biological, ecological, sociological studies, and studies in other fields of knowledge, relevant to the range of its activities;

m) Promote, organize, produce, disseminate and participate in national and international events and campaigns to support and defend environmental and cultural heritage and the rights of peoples;

n) Undertake technical assistance and rural extension services, especially those promoting environmentally sustainable social and economic development;

o) Promote and support, technically and financially, including through the provision of scholarships, the carrying out of research, investigation and scientific activities for the production, teaching and dissemination of knowledge relevant to achieving the objectives contained in this Article.

2.2: In carrying out its activities, the Association shall seek to harmonize these with those of like-minded institutions in order to avoid duplication of efforts.

2.3: The Association shall not involve itself in religious, party political or any other matters inconsistent with its institutional objectives.

2.4: In carrying out its activities, programmes, projects and action plans, the Association shall adhere to principles of legality, impartiality, ethical behaviour, disclosure, cost-effectiveness, efficiency and effectiveness.
III: MEMBERSHIP

Composition

Article 3  The Association comprises:

a) Founding members: those who participated in the Association’s founding Assembly, signed the record of its proceedings and committed themselves to its objectives;

b) Admitted members: those who have been incorporated with the approval of two thirds of the members of the General Assembly, following nomination by three founding or admitted members and who do not exercise any paid activity within the Association;

c) Collaborating members: individuals or institutions that, subscribing to the objectives of the Association, apply for admission and, once approved by the Governing Council, pay the appropriate contributions;

d) Honorary members: individuals or institutions prominent in the defence of social property and rights, both collective and diffuse, relating to the environment and cultural heritage or who, with justification, can be so characterised.

3.1: The members, irrespective of their category, are not individually or severally responsible for the obligations of the institution, nor may they use the Association’s symbols or speak in its name unless expressly authorized by the Governing Council.

Contributions

Article 4  The Governing Council shall create categories of financial contributions by collaborating members, which may be multiple and differentiated, ad referendum by the General Assembly.

4.1: When applying to become a collaborating member, the applicant shall freely choose the category of financial contribution he/she/it wishes to apply for.

Article 5  Financial contributions may be waived for collaborating members who occupy executive roles in the Association and those who for whatever reason are granted such a benefit by decision of the Governing Council.

Honorary Members

Article 6  Any member of the Governing Council of the Association may nominate candidates for honorary membership. A written justification shall be submitted to the President of the Governing Council, who shall submit the proposal for approval by an absolute majority at the next ordinary meeting of the General Assembly.

Article 7  No more than three honorary members per year may be admitted.
Rights and Obligations of Founding, Admitted, Collaborating and Honorary Members

Article 8 All founding and admitted members are entitled to: have access to the offices of the Association and to be informed of projects and activities undertaken; submit proposals to the Governing Council; enjoy such privileges as the Association may offer; participate in the meetings of the General Assembly with the right to speak, to vote, to elect and to be elected to the Governing Council.

Article 9 Collaborating members whose contributions to the Association are up-to-date, and honorary members, are entitled to be informed of projects and activities being undertaken and to enjoy such privileges as the Association may offer.

Article 10 The duties of founding and admitted members are to: participate in meetings of the General Assembly; promote the good name and standing of the Association; and make every effort within their fields of expertise to ensure that the objectives of the Association are successfully met.

Article 11 The duties of collaborating members are to: contribute financially to the Association in accordance with their chosen category; and make every effort within their fields of activity and their capabilities to contribute to the fulfilment of the objectives of the Association.

Article 12 Members of any category guilty of serious violation of, or whose behaviour is incompatible with, these Articles of Association, or whose actions constitute a cause for exclusion as specified in these Articles of Association, shall be excluded from the Association.

Article 13 The General Assembly will consider motions for exclusion submitted by three founding or admitted members; exclusion shall require the approval of at least two-thirds of the members present.

13.1: The Governing Council will consider proposals for the exclusion of members of the Association submitted by one of its members or by the Executive Secretary in the following circumstances:

a) When a member has failed to attend the annual meeting of the General Assembly for two consecutive years without providing written justification; and

b) When a collaborating member has failed to honour their commitment made upon affiliation to make a periodic financial contribution.

Article 14 In all cases the member shall be given at least thirty days prior warning of a meeting that will consider her or his exclusion so that, should s/he so wish, s/he may submit her/his defence in writing within fifteen days of receipt of the notification.

14.1: The motion to exclude a member and any respective defence shall be judged concurrently:
a) by the General Assembly in cases falling within the chapeau of Article 13;

b) by the Governing Council in cases falling within sub items a) and b) of Article 13.1.

14.2: The member shall be notified of the decision arising from consideration of her/his defence so that, should s/he so wish, an appeal against the decision may be made in writing within fifteen days of receipt of the notification.

14.3: In such cases the General Assembly will decide upon the appeal.

Article 15 A member in any category may voluntarily resign from the Association by means of written communication to the Executive Secretary.

15.1: The Executive Secretary shall inform the members of the Governing Council within fifteen working days of the date of receipt of any such communication and will proceed to exclude the name of the member from all records, registers and publications of the association.

IV: BODIES OF THE ASSOCIATION

Article 16 The following are the bodies of the Association:

a) General Assembly;

b) Governing Council;

c) Audit Committee;

d) Executive Secretariat;

e) Strategic Management Board (CGE)

f) Strategic Programme Management Board (CGEP)

V: GENERAL ASSEMBLY

Structure and Responsibilities

Article 17 The General Assembly is the highest body of the Association and comprises all founding members and admitted members in full exercise of their rights, as provided for in Article 8 of these Articles of Association.

Article 18 The responsibilities of the General Assembly are to:
a) consider reports on activities, financial reports and other accounts of the Association submitted by the Governing Council;

b) consider recommendations submitted by the various bodies of the Association;

c) elect the Governing Council and the Audit Committee;

d) establish, as necessary, an Evaluation Committee composed of experts, to independently evaluate the projects and activities of the Association from a socio-environmental perspective;

e) approve the Executive Secretary nominated by the Governing Council in accordance with Article 43 of these Articles of Association;

f) decide upon any matters relating to the Association, including amendments to the Articles of Association and the winding up of the Association, in accordance with Articles 73, 74, 75 and 79 of these Articles of Association;

g) decide on the admission of new members of any category;

h) consider motions for the exclusion of members together with the defences and appeals provided for in Articles 13 and 14 of these Articles of Association;

i) approve the general outlines of the Strategic Plan of the Association and amendments proposed by the Governing Council;

j) approve the establishment of new projects;

k) authorize the disposal or exchange of or encumbrances over the Association’s immovable property under the terms of Article 71 of these Articles of Association;

l) establish policies of cooperation with public and private bodies, national and international, and with bilateral and multilateral agencies;

m) authorize utilization of the Financial Fund in accordance with Articles 69 and 70 of these Articles of Association.

Meetings of the General Assembly

Article 19 Meetings of the General Assembly meetings shall be convened with at least thirty days’ notice, by properly recorded letter or email, and will take place:

a) ordinarily, following convocation by the Executive Secretary with the approval of the Governing Council, once a year in the first half of the year.

b) extraordinarily, following convocation by the Governing Council or by at least one fifth of the founding or admitted members.
19.1: It is the responsibility of the member to provide the Executive Secretariat with an electronic and mail address, including updating this information whenever changes occur, either temporary or permanent.

**Article 20** The letter of convocation shall contain the following information:

a) date and venue of the General Assembly;

b) agenda of the meeting.

**Article 21** Meetings of the General Assembly shall be opened by the President of the Governing Council and two founding or admitted members shall be elected by the meeting to preside and act as secretary, the latter being responsible for drafting the minutes of the meeting.

21.1: If the President of the Governing Council is absent or unable to participate, the General Assembly shall be opened by the Vice-President or, in his or her absence, by another member of the Governing Council or by the Executive Secretary or by any founding or admitted member present.

**Article 22** The General Assembly shall be called to order with a minimum presence of half the members entitled to vote plus one.

22.1: Once thirty minutes have elapsed from the time of first call to order, the General Assembly shall begin with the presence of any number of members.

**Article 23** Resolutions of the General Assembly shall be adopted by simple majority, subject to the exceptions provided for in these Articles of Association.

23.1: Resolutions concerning the exoneration of the Governing Council shall require the approval of an absolute majority of the members entitled to vote present at the General Assembly.

**Article 24** In the event of a tied vote the member presiding the meeting shall cast the deciding vote.

**Article 25** Minutes of the proceedings and resolutions of the General Assembly shall be recorded in a special book. The minutes shall be signed by the members presiding the meeting and shall subsequently be circulated to members for approval at the next General Assembly.

**VI: GOVERNING COUNCIL**

**Structure and Responsibilities**

**Article 26** The Governing Council, responsible for management of the Association, shall
comprise a minimum of four and a maximum of six founding or admitted members elected by the General Assembly.

26.1: Three members of the Governing Council shall be chosen from among those who do not exercise any executive function in the Association.

26.2: When electing the members of the Governing Council the General Assembly shall designate the President and Vice-President.

**Article 27** The term of office of members of the Governing Council shall be three years with re-election permitted, observing the provisions of Article 32.1.

**Article 28** All decisions of the Board shall be taken by simple majority.

28.1: In the event of a tie the President shall cast the deciding vote.

**Article 29** The responsibilities of the Governing Council are to:

a) convene and open General Assemblies;

b) consider the Strategic Plan and the Work Plan prepared by the Executive Secretary, submit these for approval by the General Assembly and monitor their execution;

c) approve the Annual Work Plan prepared by the Executive Secretary and monitor its execution;

d) approve new projects;

e) promote compliance with the objectives and the statutory and procedural provisions of the Association and with decisions taken by the General Assembly;

f) administer the Association’s property and manage its resources;

g) appoint and where necessary substitute members of the Executive Secretariat *ad referendum* by the General Assembly, supervising their activities and granting administrative powers;

h) create permanent organic executive positions, comprising an unlimited number of professional staff, and establish their general duties and budget;

i) review the financial statements of the Association;

j) submit recommendations to the General Assembly for the award of Honorary Membership of the Association as provided for in Articles 6 and 7 of these Articles of Association;

k) consider motions for the exclusion of members together with defences provided for in Articles 13 and 14 of these Articles of Association;
l) establish the amounts of the financial contributions to be made by collaborating members;

m) approve the half-yearly report prepared by the Executive Secretary;

n) approve the establishment of new offices;

o) approve the general policy of posts and salaries proposed by the Executive Secretary;

p) submit to the General Assembly the annual report on activities, balance sheet and financial statements of the Association;

q) approve the Association’s bylaws as drawn up by the Executive Secretary;

r) consider recommendations of the Audit Committee, the Strategic Management Board and, when instituted, the Evaluation Committee;

s) hire independent auditors to examine the accounts and financial situation of the Association at the end of each year;

t) delegate to the Strategic Management Board responsibility for such matters as it may determine.

Article 30 The Governing Council may, as necessary, establish an Evaluation Committee, composed of experts, to independently evaluate the projects and activities of the Association from a socio-environmental perspective.

30.1: The Review Committee shall consider the activities and projects undertaken by the Association and make recommendations as appropriate to the Governing Council and the General Assembly.

30.2: The Review Committee shall be established whenever the complexity of a project or activity so requires.

30.3: At the beginning of each meeting the Review Committee shall appoint a chair and a secretary from among its members. The secretary shall be responsible for drafting the minutes of the meeting and the report containing its recommendations.

30.4: Representatives of bodies providing institutional support to the Association, of communities or social groups involved in the projects or activities under review, of the technical staff of the Association responsible for the activity or implementation of the project and members of the Executive Secretariat may participate in meetings of the Review Committee with the right to speak.

Election and Renewal of the Governing Council

Article 31 The election of the Board shall take place at an ordinary meeting of the
General Assembly of the Association.

31.1: The new Governing Council will take office immediately upon its election.

**Article 32** Members of the Governing Council shall be elected by the General Assembly, by means of slates, in a secret vote and by means of ballot papers containing the names of all candidates of each slate and the indication of the names of those candidates who would occupy the positions of President and Vice-President. The candidates of the slate that receives the most votes shall be considered elected.

32.1: A member of the Executive Secretariat who is a member of the Governing Council may not be its President or Vice-President.

**Meetings of the Governing Council**

**Article 33** The Governing Council shall meet, preferably, at the headquarters of the Association:

a) ordinarily at least three times a year, independently of convocation;

b) extraordinarily as necessary, when convened by the President or by three of its members, in writing and with not less than forty eight hours’ notice.

**Article 34** Members of the Executive Secretariat shall participate in the meetings of the Governing Council and shall prepare the minutes of the meeting.

34.1: Other members of the staff of the Association, as well as outside specialists and consultants, may be invited to take part in meetings of the Governing Council.

**Article 35** A member of the Governing Council or of the Executive Secretariat who is unable to participate in a meeting of the Governing Council for reasons of travel, health or force majeure shall provide prior written justification.

**Article 36** The Governing Council may take decisions when at least three of its members are present.

**Expiration of the Term of Office of a Member of the Governing Council**

**Article 37** The term of office of a member of the Governing Council expires:

a) when the new Governing Council takes office;

b) upon explicit or implicit resignation;

c) upon disqualification;

d) upon impediment;
e) upon death.

**Article 38**  A member’s absence from three consecutive ordinary meetings, except as provided for in Article 35, shall be considered implicit resignation.

**Article 39**  A member of the Governing Council may be disqualified from office in the case of serious violation of the duties of the office, to be defined by the General Assembly on a case-by-case basis, as provided for in Article 12 of these Articles of Association.
Governing Council Member Vacancies

Article 40  Vacancies that arise on the Governing Council as a result of resignation, death or any other impediment shall be filled by the Governing Council by means of voting on names proposed by members of the Governing Council ad referendum by the General Assembly.

40.1: The candidate receiving in a secret vote a simple majority of the votes of the members present at the meeting shall be considered elected and shall remain in office until the next ordinary meeting of the General Assembly, at which time s/he may be confirmed in office or replaced through a new election. In either case, her/his term of office will be that of the remainder of the term of office of the member s/he replaced.

VII: THE PRESIDENT AND VICE-PRESIDENT OF THE GOVERNING COUNCIL

Article 41  The responsibilities of the President of the Governing Council are to:

a) represent the Association as plaintiff or defendant in court or other proceedings;

b) open meetings of the General Assembly;

c) preside meetings of the Governing Council and cast the deciding vote, as necessary;

d) convene extraordinary meetings of the Governing Council as necessary;

e) appoint, as needed and with the prior approval of the Governing Council, attorneys empowered to represent the Association administratively and judicially;

f) hire individuals or bodies needed for the administrative and technical activities of the Association;

g) establish the duties of and manage the staff of the Association;

h) approve the hiring, dismissal and transfer of technical and administrative staff and their inclusion within the overall policy of posts and salaries together with other measures related to staff necessary for fulfilling work plans approved by the General Assembly;

i) Accept donations and contributions provided that these do not compromise the autonomy and independence of the Association.

Article 42  The Vice-President of the Governing Council shall deputize for the President when s/he is absent or unavailable.

VIII: THE EXECUTIVE SECRETARIAT

Article 43  The Executive Secretariat is the administrative body of the Association, comprising an Executive Secretary whose position is remunerated and whose appointment is
decided by the Governing Council and approved by the General Assembly.

43.1: The Governing Council shall designate the Executive Secretary, who shall be responsible for the Secretariat and the management of its activities.

43.2: The Governing Council, with the prior agreement of the Executive Secretary, may nominate one or more Deputy Executive Secretaries.

**Article 44** The duties of the Executive Secretariat are to:

a) manage and carry out administrative, financial, budgetary and planning responsibilities;

b) hire individuals or firms needed to undertake the administrative and technical activities of the Association;

c) approve the hiring, dismissal and transfer of technical and administrative staff and their inclusion within the overall policy of positions and salaries together with other measures related to staff necessary for fulfilling work plans approved by the General Assembly;

d) prepare and review technical and financial reports on the projects and activities of the Association prior to their consideration by the Governing Council;

e) plan and review activities and budgets semi-annually and submit these for the consideration of the Governing Council;

f) call to order, on first or second callings, meetings of the General Assembly as well as Extraordinary Assemblies in the name of the Governing Council;

g) implement the programme decisions of the General Assembly;

h) formulate and implement the communications and information policy of the Association in accordance with the guidelines adopted by the General Assembly;

i) carry out the policy of cooperation with public and private institutions, national and international, and bilateral and multilateral agencies as approved by the General Assembly;

j) decide on the dissemination of collections held by and materials produced by the Association or co-produced with other environmental and educational bodies and institutions;

k) coordinate fund-raising activities;

l) coordinate project development;

m) prepare technical advice, collectively or individually, on the projects and activities of the Association and of third parties;

n) review projects submitted to the Association;
o) supervise the departments of the Association;

p) monitor the operational and financial planning of projects being carried out;

q) prepare policy on posts and salaries for the approval of the Governing Council;

r) draw up internal procedures;

s) draft the internal bylaws of the Association for the approval of the Governing Council;

t) nominate the representatives of the Association at seminars, symposia, congresses and other national and international events;

u) submit the financial and accounting statements of the Association and an annual budgetary forecast to the Governing Council.

IX: THE STRATEGIC MANAGEMENT BOARD

Article 45 The Strategic Management Board (CGE) is an internal body with a consultative role to support the Executive Secretariat by providing advice on executive management issues together with questions related to institutional planning and strategy.

Article 46 The permanent composition of the Strategic Management Board (CGE) shall include:

a) the Executive Secretary and/or Deputy Executive Secretary;

b) the Programme Coordinators;

c) the Administration Coordinator; and

d) the Communications Coordinator.

Article 47 The tasks required of the Strategic Management Board (CGE) are to:

a) lead the development of the Institutional Strategic Plan;

b) analyse priority institutional policies;

c) evaluate programme activities in order to ensure synergy, coherence and connectivity with strategic themes;

d) propose changes of direction for programme activities as needed;

e) undertake internal review of the annual budget in order to ensure that priorities are
met and institutional finances are sustainable throughout the year;

f) provide support to decisions concerning staff and other members of the Association, including admissions, dismissals and coherence in salary policy and the structure of posts;

g) assist in considerations of new projects and categories of funding;

h) advise on deciding institutional positions to be taken in public and policy forums;

i) participate in decisions on institutional partnerships;

j) contribute to improved institutional management.

Article 48 The Strategic Management Board is required to hold a meeting every three months. Extraordinary meetings may be called at any time by the Executive Secretary.

48.1: Participation in meetings of the Strategic Management Board by its permanent members is obligatory.

48.2: Meetings of the Strategic Management Board are open to participation by members of the Governing Council;

48.3: Any member of the Association or staff member, and as appropriate external experts, may be invited by the Executive Secretary to attend meetings of the Strategic Management Board;

48.4: In her/his absence, a Programme Coordinator shall be represented by the respective Deputy Coordinator;

48.5: In their absence, the Administration Coordinator and the Communications Coordinator will nominate a member of their respective teams to represent them;

48.6: At the start of each year the Executive Secretary will determine the dates of meetings of the Strategic Management Board; these may be subsequently adjusted with the consent of the other members;

48.7: The methodology of its meetings and activities resulting from decisions of the Strategic Management Board will be implemented by the Executive Secretariat, or jointly by the members of the Strategic Management Board when they so determine;

48.8: The proceedings of Strategic Management Board meetings will be recorded in minutes to be submitted to the Governing Council.

48.9: When appropriate the Strategic Management Board may prepare reports of its meetings for dissemination throughout the Association.

X: THE STRATEGIC PROGRAMME MANAGEMENT BOARD (CGEP)
Article 49 The Strategic Programme Management Board (CGEP) is a body to support and advise Programme coordinators and shall report to the Executive Secretary and the Governing Council on its ongoing activities.

Article 50 The permanent composition of the Strategic Programme Management Board will include:

a) the Programme Coordinator;

b) the Deputy Programme Coordinator(s)

c) other staff or members of the Association nominated by the Programme Coordinator or Deputy Programme Coordinator.

Article 51 The responsibilities of the Strategic Programme Management Board are to:

a) prepare the strategic plan of the Programme;

b) decide programme priorities;

c) evaluate programme activities in order to ensure synergy, coherence and connectivity with strategic themes and to propose changes of direction for programme activities as needed;

d) keep the annual budget under review in order to ensure meeting project priorities and the sustainability of programme finances throughout the year;

e) provide support to decisions concerning staff and other members of the programme, including admissions, dismissals and coherence in salary policy and the structure of posts;

f) assist in considerations of new projects and categories of funding;

g) advise on deciding institutional positions to be taken;

h) participate in decisions on institutional partnerships;

i) contribute to improved programme management.

Article 52 The Strategic Programme Management Board will hold at least three meetings a year which should preferably take place prior to the programme’s planning and evaluation activities.

52.1: Any member of the Association or staff member, and as appropriate external experts, may be invited by the Executive Secretary to attend meetings of the Strategic Programme Management Board;

52.2: At the start of each year the Programme Coordinator will determine the dates of meetings of the Strategic Programme Management Board; these may be subsequently adjusted with the consent of the other members;
52.3: Meetings of the Strategic Programme Management Board will be recorded in minutes which shall be submitted to the Executive Secretariat and the Governing Council;

52.4: When appropriate the Strategic Programme Management Board may prepare reports of its meetings for dissemination throughout the Association.
XI: THE AUDIT COMMITTEE

Structure and responsibilities

Article 53 The Audit Committee is the body responsible for monitoring the accounting and financial management of the Association and is composed of at least three founding or admitted members elected by the General Assembly for a term of office of three years with re-election permitted.

53.1: Members of the Audit Committee shall preferably have an academic or professional background compatible with the office and responsibility.

Article 54 The responsibilities of the members of the Audit Committee are to:

a) examine the reports of the external auditors and provide an opinion to the General Assembly;

b) examine the balance sheets and the accounting and financial reports of the Association at the end of each financial year;

c) provide an opinion on the financial and accounting performance reports, as well as the asset management activities of the Association, to the General Assembly;

d) attend meetings of the Governing Council at its request or that of the President whenever clarifications are required in connection with opinions provided by the Audit Committee.

Election to and renewal of the Audit Committee

Article 55 The election of the Audit Committee will take place at an ordinary meeting of the General Assembly.

55.1: The new Audit Committee will take office immediately upon election.

Article 56 The three or more members of the Audit Committee shall be elected by the General Assembly, by means of slates, in a secret vote and by means of ballot papers containing the names of all candidates of each slate. The candidates of the slate that receives the most votes shall be considered elected.

Meetings of the Audit Committee

Article 57 The Audit Committee shall meet ordinarily at least once a year and extraordinarily whenever necessary.
Expiration of the Term of Office of a Member of the Audit Committee

Article 58  The term of office of a member of the Governing Council expires:

a) when the new Audit Committee takes office;
b) upon formal resignation;
c) upon disqualification;
d) upon impediment;
e) upon death.

Article 59  A member of the Audit Committee may be disqualified from office in the case of serious violation of the duties of the office, to be defined by the General Assembly on a case-by-case basis, as provided for in Article 12 of these Articles of Association.

Audit Committee Member Vacancies

Article 60  Vacancies that arise on the Audit Committee as a result of resignation, death or any other impediment shall be filled by the Committee by means of voting on names proposed by its members ad referendum by the General Assembly.

60.1: The candidate receiving in a secret vote a simple majority of the votes of the members of the Audit Committee present at the meeting shall be considered elected and shall remain in office until the next ordinary meeting of the General Assembly, at which time s/he may be confirmed in office or replaced through a new election. In either case, her/his term of office will be that of the remainder of the term of office of the member s/he replaced.

XII: ACCOUNTING SYSTEM AND STATEMENTS

Article 61  The financial year of the Association shall end on 31 December of each year.

Article 62  The Governing Council shall employ the services of an independent external auditor at the end of each financial year to prepare a report and issue an opinion on the accounting and financial statements of the Association and at any other time when funds deriving from the signing of partnership, funding, collaboration, cooperation or other types of agreements with public bodies so require.

Article 63  The preparation of its accounts by the Association shall conform to basic accounting principles and to the Brazilian Accountancy Standards.

Article 64  The preparation of accounts for funds and assets received by the Association from public bodies shall be done in accordance with the sole paragraph of Article 70 of the
Federal Constitution.

Article 65 Once approved by the General Assembly, the reports on activities, the financial statements of the Association and the report of the external auditor shall be published through an efficient medium to be determined by the Governing Council in order to be available for scrutiny by any member of the public.

Article 66 The report on activities, the financial statements, the report of the independent external auditor, together with the opinion of the Audit Committee shall be prepared in the first 120 days of each year for subsequent submission by the President of the Governing Council to the General Assembly for its consideration and approval.

66.1: Following consideration by the General Assembly, the financial statements shall be archived together with the minutes of the meeting at which they were considered and approved, so as to allow members open access to the books and records of the Association.

XIII: ASSETS

Article 67 The assets of the Association comprise goods and funds acquired through:

a) contributions of collaborating members;

b) donations of goods and rights and the proceeds of sponsorship by individuals and organizations domestic or foreign;

c) such grants as may be made by public bodies;

d) assets acquired by any means;

e) income derived from its assets and projects;

f) assets of similar institutions or foundations transferred to the Association following their winding up;

g) donations made to the Association;

h) proceeds from the sale of publications, editions, films, videos and other goods whether produced by the Association or not;

i) income from contracts and agreements for provision of services to third parties;

j) interest received;

k) other income.

Article 68 The Association shall not accept any type of donation or grant that may compromise its independence or autonomy vis-à-vis the donor or grantor.
68.1: The donor shall be notified of the reason for refusal of the donation.

**Article 69**  The Association shall allocate resources to the creation of a financial fund to be used in exceptional situations, with the express approval of the General Assembly.

**Article 70**  The financial fund referred to in the previous Article shall be comprised of the following resources:

a) 10% (ten percent) of un-earmarked income;

b) 0.5% (one half of one percent) of earmarked income, provided that this amount and its allocation are provided for in the relevant fundraising proposal;

c) 100% (one hundred percent) of income raised specifically for this purpose;

d) 100% (one hundred percent) of any income generated by the fund itself.

70.1: The amount accruing in the financial fund shall not exceed one quarter of the annual expenditure of the Association stipulated in its budget.

**Article 71**  Ownership of and rights relating to immovable property that constitute the assets of the Association shall only be disposed of or exchanged or be subject to encumbrance following prior approval by an absolute majority of the founding and admitted members present at the General Assembly.

71.1: Disposal by the Executive Secretary of items forming part of the permanent assets of the association that are replaced as a result of wear and tear or obsolescence, as well as those deemed superfluous, does not require prior approval provided the Governing Council is informed.

71.2: Any immovable property acquired by the Association with funds obtained through an instrument of partnership with a public body under the terms of law 9.790/99 shall be registered as unalienable.

**Article 72**  All income, profits or dividends obtained by the Association shall accrue to the benefit of activities foreseen in its Articles of Association, may not be used for any other purpose, and shall be wholly used in Brazil.

**XIV: WINDING UP OF THE ASSOCIATION**

**Article 73**  In the case of an insuperable impediment to its continuity the Association shall be wound up by resolution of the General Assembly, following consultation with its other bodies.

73.1: The decision to wind up the Association may only be taken by two thirds of the founding and admitted members present at the Extraordinary General Assembly specially convened for this purpose with forty-five days' prior notice by registered mail, in which the
reasons that justify the proposal for winding-up are clearly laid out.

**Article 74** Should the Association be wound up its assets shall be liquidated and all its goods and rights shall be assigned to one or more civil society public interest organizations engaged in similar activities, and recognized as such by the Ministry of Justice, and in conformity with the provisions of law 13.019/2014, in accordance with a resolution to be passed by the General Assembly.

74.1: The President of the Governing Council shall be the liquidator of the Association. The General Assembly may appoint another liquidator in the event the President is unable to undertake the task.

74.2: Under no circumstances shall the assets be shared directly or indirectly among the members of the Association and the liquidator shall be personally liable for any such acts, hereby deemed legally null and void.

**Article 75** Should the Association be accredited as a public interest civil society organization [OSCIP] and for whatever reason lose this accreditation, the assets acquired with public funds as a result of an instrument of partnership under the terms of law 9.790/99 shall be transferred to another public interest civil society organization, preferably with a similar social purpose, as decided by the General Assembly.

**XV: GENERAL AND TRANSITORY PROVISIONS**

**Article 76** The members of the Governing Council and the Audit Committee shall perform their duties with no form of direct or indirect remuneration, and shall not be liable individually or jointly for the obligations of the Association.

76.1: The distribution by any means, directly or indirectly, of profits, bonuses, dividends or benefits to directors, supporters, partners or employees is expressly prohibited.

76.2: Members of the Governing Council may be remunerated when they effectively participate in the executive management or provide specific services to the Association, having due regard, in both cases, for prevailing market values in the Association’s field of activity and the provisions of Article 32.1

**Article 77** Executive positions shall be occupied by competent professionals, who shall be liable to the Association and third parties for any wrongful or culpable conduct, under the authority of the President of the Governing Council.

**Article 78** The Association shall adopt administrative management practices necessary and sufficient to prevent the obtaining, individually or collectively, of personal benefits and advantages by members of the Governing Council, their spouses or partners, or by organizations of which they may be directors or owners of more than ten percent of the equity.

**Article 79** These Articles of Association may be fully or partially amended by resolution
of two-thirds of the founding and admitted members present at the General Assembly specially convened for this purpose.

79.1: The General Assembly shall be responsible for any transitional rules that may be necessary in cases of amendments to these Articles of Association.

**Article 80** The Governing Council shall enact specific rules for the regulation of these Articles of Association.

**Article 81** Cases of omission shall be resolved by the Governing Council, with voluntary appeal to the General Assembly.