

**Date: 2011-09-01**

**Updated: 2011-09-02**

## **Statutes and Organizational Charter for**

# **Butterfly Effect**

- A small contribution from you can make a big difference for someone else

### **§1 – Name of organization**

Butterfly Effect

### **§2 – Location of seat**

The board is seated in Stockholm

### **§3 – Type of organization**

Nonprofit organization

### **§4 - Aim**

The organization's aim is to collect donations (in the form of money, goods or services) for the purposes of:

- helping people in need
- supporting projects that aid animal welfare
- supporting environmental projects

Decisions regarding which projects to support will be decided by the organization's board and posted on the organization's internet homepage

### **§5 – Independence**

The organization is independent from political and religious influence

### **§6 – Operational year/ Financial year**

The financial and operational year of the organization will occur from the 1<sup>st</sup> January to the 31<sup>st</sup> December each calendar year.

### **§7 – Members**

Members are accepted by making contact via the organization's internet homepage and/or by contacting a member of the board of the organization. Persons becoming members will be required to accept the organizations statutes and charter, and actively donate monetarily once a year to the organization's projects. The minimum amount of donation will be the members fee per annum, this being the membership fee per year. The members fee amount per annum is decided on the general annual meeting. Members can choose to contribute monthly or at their own discretion.

Members who have not donated during a period of two years or have affected the organization in a negative manner can have their membership suspended by the board. Suspended members must be discussed at the next annual general meeting. The meeting will decide whether a suspended member will have their suspension repealed or alternatively a member may have their membership permanently cancelled. During an annual general meeting the

board can rescind suspensions or exclusions. A member can at any given time cancel his or her membership through contacting the board.

### **§8- Finances**

All activities carried out by the organization will be financed by proceeds received by membership fees and donations. The annual membership fees and donations will firstly be used to pay yearly expenses that include:

- costs incurred in operating the organizations web site (estimated at 900sek per year)
- banking fees (estimated at 600sek per year)
- money transfer fees for chosen projects (160sek per transaction)
- auditor/s

These and other expenses may vary over time.

Proceeds received by the organization that exceed the running costs (as mentioned above) will be fully utilized by projects the organization seeks to aid.

The organization is not permitted to take out any mortgages on properties or other loans. The organization will not be permitted to accrue any debts other than any general running expenses. In the unfortunate scenario that the organization becomes insolvent no member or board member will be personally liable for any expenses owing.

Donations and membership fees will be distributed to chosen projects when it is economically feasible to do so (this is done to limit the transfer banking fees incurred). Money will be held temporarily in the organization's bank account before a transfer has occurred.

### **§9a – Board**

The organization's board is responsible for:

- all financial dealings of the organization
- keeping a current list of members
- applying for grants
- recruitment of new members
- all decisions taken during the annual general meeting
- the organization's overall activities

The board consists of a chairperson, a secretary and a treasurer. If required a vice chairperson can be chosen. A board member can only act in one position at a time. Members can nominate themselves for positions on the board. Board positions will be voted on by participating members during the annual general meeting and board members chosen will commence their position immediately after their appointments. No board member will be permitted to gain any financial benefits from acting as a board member, positions are purely voluntary.

### **§9b – Decision making**

For decisions to be binding, 66% of board members must participate in the decision making process. Board meetings where decisions are voted on can take place in person, via telephone or via the internet.

### **§10 – Auditor**

Auditor/s will be chosen during the organization's annual general meeting. Potential candidates for the auditor/s position will not be chosen from the board. Members and non

members of the organization are able to be nominated as auditors. The primary task of the auditor/s will be to oversee the organizations accounts and management.

### **§11 – Signatory/ies**

The organization will be registered by the chairperson and the accountant. If extraordinary circumstances occur, the chairperson will select another person to register the organization.

### **§12 – Annual general meeting**

The annual general meeting shall be held prior to the 31<sup>st</sup> March every year. The board will decide the location and date. For the meeting to be valid, the board must make details of the annual general meeting available to the members ten days prior to it occurring. The minimum amount of people present for an annual general meeting will be four. Board members and members who are not physically present at the meeting can participate via telephone or via internet.

### **The following are mandatory topics that will be discussed at each annual general meeting:**

1. Opening of meeting.
2. Meeting eligibility
3. Election of chairperson for the meeting
4. Election of secretary
5. Election of two people to check the protocol
6. The boards project report for past year
7. Financial report for the past year
8. Auditor's report for the past year
9. The Board's accountability and disclosures of activities during the past year
10. Action plan for the coming year
11. Budget for forthcoming year
12. Decision of members fee amount
13. Election of board
14. Election of accountant
15. Election of the nomination committee
16. Other topics of interest to the organization
17. The meetings adjournment

### **§13 – Rights to vote**

Only members who have paid their membership have the right to cast one single vote. Only board members and members participating in the meeting can cast a valid vote. Participation can take place in physical presence, via telephone or via internet.

### **§14 – Numbers of vote**

All decisions that are voted on at an annual general meeting or a board meeting will be determined by a majority vote only. Every person with the right to vote has only one vote to cast. If a majority vote is not reached after a ballot, a discussion will take place. After the discussion a further vote will be held so that a majority consensus can be reached.

### **§15 - Extra annual general meeting**

An extra annual general meeting will take place if one of the following occurs:

- the board deems it necessary
- the accountant deems it necessary
- if at least half of the organization's members deem it necessary

The meeting must be announced two weeks in advance for the meeting to be legitimate.

Only the topics announced, will be discussed during an extra annual general meeting.

### **§16- Changes to Statutes and/or organization Chart**

Changes to the organization's Statute or Charter can only take place during an annual general meeting or an extra annual general meeting. Majority votes are required for legitimate changes. The following changes can only take place after two separate voting occasions and must be voted upon at the annual general meetings:

- the organization's name
- the organization's aim and mission statement
- the rules relating to changes to the organization's Statute or Charter

Votes must be two thirds in favor of any changes.

### **§17- Annulment**

Decisions relating to the annulment of the organization can only be taken by the board, and is to be discussed at the annual general meeting. That annulment shall be discussed has to be announced to the members two weeks prior to the meeting in line with §12. In case of an annulment all debts by the organization will firstly be paid, these debts may include payment of regular expenses such as internet fees, banking fees, transfers fees, and auditor's/ accountant's fees.

After the debts have been paid, any money that is remaining will be transferred to projects deemed worthy by the organization. A vote will be held at the last annual general meeting of the organization to decide which of these projects receive any surplus money.

The board is obliged to hold money in the organization's account that will be sufficient to pay any outstanding debts should an annulment occur. This will guarantee any member having to shoulder any personal expense for the annulment of the organization.