

**Statute of Fundacja „Koalicja Sprawiedliwego Handlu” – Fairtrade Polska
(Foundation of the ‘Fair Trade Coalition’ – Fairtrade Poland)**

Preamble

Fair Trade, translated into Polish as "Sprawiedliwy Handel", is a movement created by non-governmental organizations, activists, volunteers and companies to foster the community development of small producers from the Global South (Africa, Asia, Latin America, Caribbean and Oceania). A *Charter of Fair Trade Principles (Karta Zasad Sprawiedliwego Handlu)* is a basic document, describing the movement and its working principles, agreed upon by the most important players where Fair Trade is defined as follows:

Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South. Fair Trade Organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade.

Founders of the Foundation of the ‘Fair Trade Coalition’ – Fairtrade Poland identify themselves with Fair Trade Principles, and upon joining the Foundation, they share the vision of the world where fair trading relations exist and they are based on sustainability principles. By working people are able to live decent lives, provide for their families and develop their potential.

**Article I
General Provisions**

§ 1

1. The Foundation of the ‘Fair Trade Coalition’ – Fairtrade Poland, hereinafter referred to as the **Foundation**, has been constituted with a notarial deed Repertorium A, no. 1195/2013 compiled by the notary Paweł Wiater in the notarial office in Cracow, at ul. Starowiślna 83/5 on 17 June 2013 by the following legal entities and individuals carrying out business activity in the field of Fair Trade, hereinafter referred to as **Founders**:
 1. Agnieszka Bińkowska running a company called Agnieszka Bińkowska Szczypta Świata
 2. Fundacja EkoRozwoju
 3. Dorota Kocurek-Poznańska running a company called Pozytywna zmiana Kocurek-Poznańska Dorota
 4. Ośrodek Działań Ekologicznych „Źródła”
 5. Polska Akcja Humanitarna
 6. PROFT LTD
 7. Maria Monika Stalony running a company called Biosprawiedliwi Maria Monika Stalony
 8. Stowarzyszenie Lokalnych Ośrodków Twórczych
 9. Związek Stowarzyszeń Polska Zielona Sieć
2. The Foundation’s operation is based on the Foundations Act dated April 06, 1984, and provisions of the present Statute, hereinafter referred to as the **Statute**.

§ 2

1. The Foundation has a legal personality.
2. The Foundation's headquarters are located in Cracow.
3. The Foundation's lifetime is not limited.
4. The Foundation operates in the whole territory of the Republic of Poland, as well as abroad.
5. The Foundation may create branches, businesses and subsidiaries.

§ 3

The Foundation is supervised by the Minister of Labour and Social Policy.

Article II
Foundation's goals and rules of operation

§ 4

The Foundation has been established in order to:

1. Develop and promote Fair Trade;
2. Raise awareness and create positive image of Fair Trade;
3. Develop representation of the Fair Trade movement in Poland;
4. Support entities interested in working for Fair Trade;
5. Support initiatives aimed at ensuring accessibility of Fair Trade products in Poland;
6. Support research on Fair Trade operation and its impact on the producers;
7. Advocate sustainable growth.

§ 5

The Foundation employs the following methods and actions towards achieving its goals as a public benefit organization:

1. Organization of events for the general public, including meetings, concerts, festivals, competitions, exhibitions, fairs, etc.;
2. Organization of workshops, trainings, etc.;
3. Organization of seminars, conferences, symposia, lectures, etc.;
4. Organization of scholarships, exchanges, study visits, placements and practices, both in Poland and abroad;
5. Carrying out promotional and information campaigns;
6. Giving opinions and providing consulting services, especially related to trade practises;
7. Advocacy work;
8. Development of partnerships, business clusters, and networks connecting various groups and sectors in Poland and abroad; facilitating communication and cooperation;
9. Carrying out global-,development-, and consumer education activities for both children, youth and adult audiences;
10. Publishing, including publishing for the press;
11. Journalist activities, including managing websites, blogs, publishing newsletters, etc.;
12. Carrying out monitoring and research activities as well as conducting opinion polls;
13. Organization of trips, play centres, holiday camps, etc.;
14. Organization of charity events, including organization of financial or material support;
15. Developing and sharing databases of business organizations.

Article III
Foundation's assets and income

§ 6

The Foundation's assets comprise of the initial capital in the amount of 9 000 PLN, as well as property acquired by the Foundation in its course of operation.

§ 7

1. Potential sources of the Foundation's income include:
 - a. Donations, bequests, pledges;
 - b. Grants and subsidies of legal entities;
 - c. Profits generated by organising events and public collections;
 - d. Profits generated from the Foundation's assets;
 - e. Bank interests;
 - f. Profits generated from business activities after the Foundation has been entered into the Business Register by the Management Board;

- g. License fees resulting from operating as a Fairtrade Marketing Organization in co-operation with Fairtrade International or with other international organizations working for Fair Trade.
- 2. All profits and income generated by the Foundation shall be used exclusively for its statutory activities.

§ 8

The Foundation shall not take actions of the following kinds:

1. Granting loans or securing liabilities with the Foundation's assets in relation to members of Foundation's bodies or employees as well as persons to whom any member of a Foundation's body or its employee is related through marriage, common-law marriage, lineal or collateral kinship or affinity up to the second degree or otherwise related on account of adoption, care or wardship, hereinafter referred to as "close persons".
2. Transferring the Foundation's assets to the benefit of members of Foundation's bodies or employees and their close persons on a basis different than in relation to third parties, especially when the assets are to be transferred free of charge or on a preferential basis;
3. Using the Foundation's assets to the benefit of members of Foundation's bodies or employees and their close persons on a basis different than in relation to third parties, unless this use results directly from the Foundation's statutory goal;
4. Purchasing goods or services from entities, in which members of Foundation's bodies or employees participate as well as from their close persons, on a basis other than in relation to third parties or at prices higher than market prices.

Article IV **Foundation's scope of activity**

§ 9

§ 10

1. The Foundation may conduct business activities on a regular basis defined in separate regulations, in compliance with provisions hereinbelow.
2. The commencement of business activities by the Foundation requires consent of the Supervisory Council.
3. The Foundation may conduct business activities only as a supplement to its statutory activities.
4. The Foundation may conduct business activities of the following kinds:
 - a. Lease of intellectual property and similar products, excluding products protected by copyright;
 - b. Advertising;
 - c. Business activity and management consulting services;
 - d. Data processing, website hosting and similar activities;
 - e. Website management.
5. On commencement of business activities the Foundation shall allot not less than the amount of PLN 1,000 out of its assets.

V

Foundation's authorities

§ 11

Foundation's authorities comprise:

1. The Supervisory Council;
2. The Programme Council;
3. The Management Board.

VI

The Supervisory Council

§ 12

1. The Supervisory Council serves to control the Foundation operations and consists of at least 3 persons, hereinafter referred to as Members of the Supervisory Council.
2. The primary Supervisory Council is composed of persons appointed by each of the Founder. Each Founder may indicate one person only.
3. In case that the membership of the Supervisory Council Member expires in compliance with subclause 10, each of the Founders may appoint one person to replace the member that the Founder has previously appointed, subject to the provisions of subclause 4. A Founder may suspend their rights of indicating a Member of the Supervisory Council for any period.
4. In exceptional circumstances relating to a Founder, the Supervisory Council may suspend the Founder's right to appoint a Supervisory Council Member, in compliance with subclause 3, for the period of 1 to 3 years or deprive the Founder of this right altogether. Such a case requires unanimous consent in the presence of all the members of the Supervisory Council, subject to the provision that the Member of Supervisory Council who was appointed by the concerned Founder cannot vote.
5. The Supervisory Council, acting on a resolution adopted by the majority of 2/3 of votes, may incorporate to its panel persons unconnected with the Founders but representing institutions with important contribution to popularising the Fair Trade idea and developing the movement.
6. Members of the Supervisory Council are appointed for the term of three years. Members of the Supervisory Council may be reappointed after their term has ended.
7. Members of the Supervisory Council appoint the Chair from among themselves.

8. Members of the Supervisory Council shall not simultaneously hold the position of a member of the Management Board or be employed by the Foundation. Furthermore, they shall not be related to Members of the Management Board through marriage, common-law marriage, kinship, affinity or reporting line.
9. No person ever convicted by a legal sentence for an intentional indictable offence or fiscal offence may become a Member of the Supervisory Council.
10. The Membership of the Supervisory Council expires as a result of:
 - a. The end of the term;
 - b. Resignation;
 - c. Dismissing by a resolution adopted by the Supervisory Council or the Founder who appointed the given Member;
 - d. Lack of participation in the Supervisory Council work, understood as an absence at 3 consecutive meetings of the Supervisory Council;
 - e. Termination of civil rights;
 - f. The loss of capability to perform acts in law;
 - g. Conviction by a legal sentence for an intentional indictable offence or fiscal offence.
 - h. Death.
11. The Supervisory Council may approach a Founder with a request to appoint a new Member of the Supervisory Council. Should this prove ineffective, the Supervisory Council may at any time dismiss any Supervisory Council Member by means of a unanimous resolution adopted in the presence of at least 1/2 of Supervisory Council Members. Should unanimous resolution prove impossible, the resolution is adopted by majority of at least 3/4 of current Supervisory Council Members in the presence of at least 1/2 of the Supervisory Council Members, subject to the provision that the concerned Supervisory Council Member cannot vote.
12. By virtue of a Supervisory Council resolution, Supervisory Council Members may receive remuneration or reimbursement of well-grounded costs related to participating in Supervisory Council meetings.

§ 13

1. The Supervisory Council makes decisions in the form of recorded resolutions, adopted during meetings or by circulation by means of electronic communication. Resolutions in circulation are adopted by an absolute majority of vote within 7 days of submitting the resolution for voting.
2. Meetings of the Supervisory Council are called by its Chair's own initiative, at the request of at least 2 of the Members of the Supervisory Council or at the request of the Management Board.
3. Members of the Supervisory Council are notified of the date, place and agenda of the meeting in writing, by fax, e-mail or by phone, at least fourteen working days before the planned time of the meeting.
4. The meeting of the Supervisory Council takes place at least once a year.
5. All Supervisory Council votes are open, unless a Member requests the voting to be secret.
6. Unless the Statute provides otherwise, resolutions of the Supervisory Council are adopted unanimously in the presence of at least 1/2 of its Members. Should the Supervisory Council fail to achieve unanimity, decisions are made by a majority vote in the presence of at least 1/2 of the Supervisory Council Members. In case a decision cannot be made, the vote of the Chair is conclusive.
7. Each Supervisory Council Member has one vote per voting.
8. Upon a written request a Supervisory Council Member may participate in the Supervisory Council meetings through an appointed plenipotentiary. One plenipotentiary may represent one person. Regulations concerning a plenipotentiary are found in § 12 subclauses 8 and 9.
9. Detailed rules pertaining to the operation of the Supervisory Council, including the rules of holding meetings and voting by means of electronic communication, shall be defined by the Supervisory Council.

§ 14

1. Apart from other matters specified in the present Statute or resulting from legal regulations, the authority of the Supervisory Council covers especially the following aspects:
 - 1) Adoption of resolutions relating to:
 - appointing and dismissing Management Board Members, including appointing and dismissing the Chair of the Management Board;
 - appointing and dismissing Programme Council Members;
 - 2) Controlling the performance of the Foundation with respect to:
 - achieving its statutory goals;
 - the execution of Supervisory Council resolutions by the Management Board;
 - supervising and controlling the Foundation's capital;
 - controlling the compliance of operations, including the compliance of operations of the Management Board with the Foundation's Statute and the law;
 - requesting the Management Board to provide explanations pertaining to the operations of the Foundation;
 - 3) Approving annual reports on the operation of the Foundation and financial reports as well as granting votes of approval for the Management Board Members;
 - 4) Depending on the Board's request giving opinions on or approving:
 - draft of the Board's decisions, such as projects of operation, plans or strategy;
 - the decisions made by the Board, including operations, plans and strategy;
 - 5) Establishing rules governing remuneration of the Chair of the Management Board;
 - 6) Establishing individual conditions for employment of Members of the Management Board according to their roles in the Board;
 - 7) Amending the Foundation's Statute on the Supervisory Council's own initiative or following a request from the Management Board;
 - 8) Approving and amending the regulations of the operation of the Supervisory Council and the Programme Council;
 - 9) Approving the choice of an auditing company.
2. The process of giving opinions or approving, as mentioned in clause 1 (4) and (5) should be undertaken at an earliest convenience, not later than 30 days upon submission of an appropriate request. After that time the Management Board can proceed the matter further, taking lack of reaction on the part of the Supervisory Board for a positive opinion or approval, depending on the subject of request. Negative opinions or expressing disapproval must be substantiated in writing.
3. Whenever 'approval' is mentioned herein, it means that the object of approval becomes binding.
4. A negative opinion or disapproval expressed by the Supervisory Council does not prevent the Management Board from proceeding an issue in question; however, if the Management Board decides to proceed, they must provide the Supervisory Council with an explanation.

VII

Programme Council

§ 15

1. The Supervisory Council may appoint a Programme Council.
2. The Programme Council provides opinions and consulting assistance to the Foundation.
3. The Programme Council consists of at least 3 Members appointed and dismissed by the resolution of the Supervisory Council.
4. Membership of the Programme Council may be granted to legal entities and individuals that provide organisational, factual or material support to the benefit of the Foundation and are simultaneously experienced in the fields of Fair Trade, sustainable development, co-

operation in development aid and global education. Legal entities execute their rights as Programme Council Members through representatives.

5. Each Programme Council Member is appointed for the term of three years. Programme Council Members may be reappointed after their term has ended.
6. Programme Council Members elect a Chair from among themselves.
7. Programme Council Member may be dismissed at any time by a resolution adopted by the Supervisory Council.
8. The Membership of the Programme Council expires as a result of:
 - a. The end of the term;
 - b. Resignation;
 - c. Dismissal;
 - d. Termination of civil rights;
 - e. The loss of capability to perform acts in law;
 - f. Conviction by a legal sentence for an intentional indictable offence or fiscal offence;
 - g. Death of an individual or liquidation of a legal entity.

§ 16

1. The Programme Council makes decisions in the form of recorded resolutions, adopted during meetings or by circulation. Resolutions in circulation are adopted by an absolute majority of vote within 7 days of submitting the resolution for voting.
2. The meetings of the Programme Council are called by the Council's Chair's initiative, following the request of at least 1/3 of the Programme Council Members, 1/3 of the Supervisory Council Members, the Chair of the Supervisory Council, the Management Board or the Chair of the Management Board.
3. Programme Council Members are notified of the date, place and agenda of the meeting in writing, by fax, e-mail or by phone, at least ten working days before the planned date of the meeting. The meeting's date, location and agenda are developed in collaboration with all Members of the Programme Council.
4. The Programme Council meets on a needs basis.
5. Programme Council resolutions are adopted unanimously.
6. All Programme Council votes are open, unless a Member requests the voting to be secret.

§ 17

The authority of the Programme Council covers:

1. Presenting the Supervisory Council with opinions regarding the Foundation's activities;
2. Presenting the Supervisory Council with opinions regarding the amendments to the Foundation's Statute;
3. Presenting the Supervisory Council with opinions regarding the Foundation's strategy;

VIII

Management Board and the Chair of the Management Board. Representation method

§ 18

1. The Management Board consists of 2 to 5 Members. The Management Board operation is lead by the Chair of the Management Board.
2. Members of the Management Board are appointed by the Supervisory Council for the period of three years (the term). A member of the Management Board may be re-elected for the next term.
3. Only individuals can become Members of the Management Board.
4. No person ever convicted by a legal sentence for an intentional indictable offence or fiscal offence may become a member of the Management Board.

5. A Member of the Management Board may be dismissed at any time by a resolution adopted by the Supervisory Council.
6. The Membership of the Management Board expires as a result of:
 - a. The end of the term (granting a vote of acceptance);
 - b. Resignation;
 - c. Failing to obtain a vote of approval;
 - d. Dismissing by a Supervisory Council resolution;
 - e. Termination of civil rights;
 - f. The loss of capability to perform acts in law;
 - g. Conviction by a legal sentence for an intentional indictable offence or fiscal offence;
 - h. Death.
7. A Member of the Management Board may neither conduct business activities as a trader of Fair Trade products nor cooperate (in accordance with the regulations of the Social Insurance Act) with a person conducting such business activities, be a member of a body, an employee or a shareholder of an entity other than an NGO, which conducts business activities as a trader of Fair Trade products.

§ 19

1. The Management Board makes decision in the form of recorded resolutions, adopted during meetings or by circulation. Resolutions in circulation are adopted by an absolute majority of vote within 7 days of submitting the resolution for voting.
2. Meetings of the Management Board are called by the Chair based on the Chair's own initiative, following the request of any Management Board Member or the Supervisory Council.
3. All Management Board Members are notified of the date, place and agenda of the meeting in writing, by fax, e-mail or by phone, at least ten working days before the planned time of the meeting.
4. The Management Board adopts resolutions unanimously in the presence of at least 1/2 of the Board. Should the Management Board fail to achieve unanimity, decisions are made by a simple majority vote in the presence of at least 1/2 of the Members of the Management Board. In case of an equal number of votes, the vote of the Chair of the Management Board is conclusive.
5. All Management Board votes are open, unless a Member requests a given voting to be secret.
6. Management Board meets at least once every three months.
7. The Management Board may appoint by way of a public tender an Executive Director and authorize them within the ordinary course of the Foundation's business to manage the Foundation's office and run all current Foundation's activities.

§ 20

The Management Board manages the Foundation's operation and acts as the Foundation's representation. The authority of the Management Board covers:

- 1) Ensuring appropriate conditions for the Foundation so that it can efficiently achieve statutory goals;
- 2) Managing and supervising the Foundation's operation; ensuring that the Foundation's statutory goals are met and the Foundation's operations are compliant with this Statute;
- 3) Finalizing contracts; making statements of intent in the Foundation's name as well as executing appropriate Labour Code regulations;
- 4) Controlling and supervising the Foundation's employees and other contractors of undertakings either implemented or supported by the Foundation as well as ensuring efficient and timely completion of assigned tasks;
- 5) Establishing favourable working conditions for persons implementing the Foundation's undertakings and projects as well as volunteers;

- 6) Managing the Foundation's assets and other resources remaining at the Foundation's disposal;
- 7) Selecting undertakings and projects implemented and supported by the Foundation towards achieving its statutory goals in accordance with the Foundation's mission, any approved internal documents, such as strategies and plans, the Statute and currently binding regulations;
- 8) Submitting the following documents for the Supervisory Council's approval:
 - Foundation's reports of operations and financial reports;
 - Resolutions pertaining to remuneration within the Foundation and the amount of remuneration of the Foundation's Chair;
- 9) Compiling plans or strategies for the Foundation, should such documents be found necessary;
- 10) Whenever deemed necessary, submitting issues to the Supervisory Council for opinion or approval, pursuant to Article 14 Paragraph 1 Clause 4 of this Statute;
- 11) Submitting necessary reports required by separate regulations to the appropriate authorities;
- 12) Providing the Supervisory Council with any explanations requested, including the submission of documents pertaining to the Foundation's operation and reports on the execution of resolutions adopted by the Supervisory Council;
- 13) Providing the Supervisory Council with technical and organisational support necessary to perform its statutory tasks;
- 14) Managing the Foundation's operations as a local organisation representing Fairtrade International based on the contract with Fairtrade International;
- 15) Adopting resolutions relating to business not reserved for other bodies of the Foundation.

§ 21

1. The Foundation is represented by each Board Member individually, subject to provisions of paragraph 2.
2. Incurring liabilities over PLN 15,000 (fifteen thousand Polish Zlotys), issuing power of attorney, representing the Foundation before any public administration bodies, courts and other public authority bodies or in case of actions arising from the Labour Code, the Foundation is represented by the Chair or by any two Members of the Management Board acting together, subject to the following provisions:
 - a. In case of activities relating to individual employment conditions of the Management Board Members the Foundation is represented by the Chair of the Supervisory Council.
 - b. Taking loans or credits whose total value exceeds PLN 50,000 (fifty thousand Polish Zlotys) requires consent of the Supervisory Council in the form of a resolution.

IX Final Provisions

§ 22

Amending the Statute requires a resolution of the Supervisory Council adopted by the majority of 2/3 of the votes in the presence of at least 2/3 of Members of the Supervisory Council. Amendments to the Statute may also pertain to the Foundation's goals.

§ 23

1. The Foundation may merge with another foundation in order to achieve its goals efficiently.

2. The decision about merging with another foundation shall be made by the Supervisory Council by a majority of 2/3 of the votes in the presence of at least 1/2 of Members of the Supervisory Council.
3. Merger may not take place, should it lead to a substantial alteration of the Foundation's goals.

§ 24

1. The Foundation shall be put to liquidation upon achieving the goals for which it has been established or running out of its financial means and assets.
2. The resolution about liquidation of the Foundation shall be made by the Supervisory Council by a majority of 2/3 of the votes in the presence of at least 1/2 of Members of the Supervisory Council.
3. If the Supervisory Council does not appoint liquidators by the resolution referred to in subclause 2, the Foundation shall be liquidated by Members of the Management Board.
4. Financial means and assets remaining after the liquidation of the Foundation may be transferred on behalf of an organisation whose statutory goals are similar to those of the Foundation by a resolution adopted by the Supervisory Council.

Borys Bińkowski
President of the meeting
of the Supervisory Council

Andrzej Żwawa
Keeper of the minutes