

ALLIANCE FOR RURAL ELECTRIFICATION (ARE)
An international not-for-profit association (Law of 27 June 1921)
Rue d' Arlon 63-67
1040 Brussels (Belgium)

ARTICLES OF ASSOCIATION

CHAPTER I

NAME - REGISTERED OFFICE - OBJECT - DURATION

Article 1 – Name – Registered office

- 1.1. An international not-for-profit association named "Alliance for Rural Electrification" (in short "ARE", hereinafter referred to as the "*Association*") is hereby founded. The Association is governed by Title III of the Belgian Law of 27 June 1921 regarding not-for-profit associations, international not-for-profit associations and foundations modified by the Belgian Law of 2 May 2002 and by articles 282 and 284 of the Belgian Law of 27 December 2004.
- 1.2. The Association's registered office shall be located within the Region of Bruxelles-Capitale (Belgium). Its registered office is located at Rue d' Arlon 63- 67, 1040 Brussels (Belgium). The Association's registered office may, at any time, be transferred to any other location subject to a decision of the Board of Members, which will have to be published in the Annexes of the Belgian Official Gazette.

Article 2 - Object of the Association

- 2.1. The object of the Association is, subject to available budget, as follows:
 - a) to contribute and stimulate sustainable development in non-electrified rural areas of developing countries by promoting accelerating access to electricity services from renewable energies;
 - b) to increase society' s awareness of the potential or renewable energy in the fight against poverty;
 - c) to serve as an international platform to foster communication and facilitate coordination between all actors involved in rural development and to generate a common position towards the promotion of rural electrification in developing countries;
 - d) to provide quality tailor-made renewable technological solutions for rural electrification within developing countries;
 - e) to increase cooperation and aid for development funds from multilateral and bilateral institutions to be invested in delivering energy services through rural electrification projects with renewable energies.

- f) to spread technical and strategic knowledge for efficient renewable energy development in rural areas;
- g) to promote the creation of sustainable schemes for development of rural electrification in developing countries, including an appropriate local environment, infrastructure, financial mechanisms, legal frameworks etc

2.2 Activities of the Association: The Association shall carry out its objectives by all possible means, working closely with its members. For example, the Association will elaborate reports and organize events, conferences, seminars and workshops on the subjects of rural electrification, sustainable development and alleviation of poverty within developing countries. Further, the Association will also participate in projects of rural electrification in developing countries.

The Association may initiate any course of action (human, financial or technical) and take any such measures and steps that are necessary to actively promote, whether directly or indirectly, its object. For instance, the association can acquire or rent any useful good or building. It also can support other activities similar to its object and establish appropriate links with other organisations. The Board of Directors has the competence to interpret the nature and extend of the association's object.

The Association shall develop its activities at local, regional, community and international level. Likewise, the Association shall be entitled by its members to defend their interests in legal and judicial proceedings at local, regional, community and international level.

2.3 The Association can become a member of other non profit organisations which follow similar or complementary objectives.

Article 3 - Duration

3.1 The Association shall have an unlimited duration.

CHAPTER II MEMBERSHIP

Article 4 - Members

4.1 The number of Members of the Association is unlimited. The Association consists of three (3) classes of members: Ordinary Members, Associate Members and Honorific Members.

4.2 Ordinary members: Ordinary membership is open to all physical and/or legal persons, operating within the renewable energy sector.

4.3 Associate members: Associate membership is open to all non-for profit organisations operating or with an interest in the renewable energy sector.

Associate members shall have no voting rights or the possibility of being elected to the governing bodies of the Association.

- 4.4 Honorific members: Honorific membership shall be granted to any physical and/or legal person with outstanding achievements in the promotion of sustainable development in developing countries.

Honorific members shall not pay any membership to the association and shall not have voting rights neither the possibility of being elected for the governing bodies of the Association.

The following are ordinary members and founders of the Association:

- European Photovoltaic Association (EPIA)
- European Small Hydropower Association (ESHA; no member anymore)
- European Biomass Industry Association (EUBIA; no member anymore)
- Global Wind Energy Council (GWEC; no member anymore)

Article 5 - Admission and fee

- 5.1 In order to become a Member of the Association, a membership application has to be presented in writing to the Secretary General or the President.
- 5.2 The admission of Members is subject to the decision of the Board of Directors and shall be ratified by the General Assembly
- 5.3 The Board of Directors reserves the right to refuse an application for membership without justification.
- 5.4 The Members shall pay an annual fee to be determined by the General Assembly upon recommendation of the Board of Members.
- 5.5 The Members shall explicitly accept to be legally bound by these Articles of Association in their applications for Membership in the Association.

Article 6- Rights and Obligations

- 6.1 The Ordinary members of the Association currently abiding by their obligations shall have the following rights:
- a) To convey the General Assembly meeting if requested by one-quarter (1/4) of the Ordinary members of the Association.
 - b) To assist to the General Assembly meetings, to express their views and opinions and to exercise their right of vote.
 - c) To withdraw from the association according to the dispositions of the present Articles of Association.

- d) Any other recognized right established by law, by this articles or by the governing bodies of the Association.

The Associate and Honorific Members shall have the same aforementioned rights except the right to vote and to be elected within the Board of Directors of the Association.

6.2 The members of the Association shall have the following obligations:

- a) To follow the present Articles of Association and the applicable laws.
- b) To abide by the resolutions validly adopted by the governing bodies of the Association.
- c) To contribute to the financial support of the Association through the payment of the corresponding fees and/or any other financial contribution duly approved by the governing bodies of the Association.
- d) Any other recognized obligation established by law, by this Articles of Association or by the governing bodies of the Association.

Article 7 - Limited responsibility of Members

7.1 Members shall not incur, beyond the membership fees to be paid by them in accordance with these Articles of Association, any individual liability with respect to any commitment undertaken by the Association.

Article 8 – Withdrawal

8.1 Any member shall be free to withdraw from the Association subject to notifying three (3) months before the calendar year ends (before the 1st of October) the Association's Secretary General or President thereof by registered mail; such withdrawal shall be effective at the beginning of the following legal year (1st of January).

Article 9 - Exclusion

9.1 Notwithstanding article 9.2, any Member, failing to abide by these Articles of Association may be expelled subject the decision of the General Assembly (without the vote of the member for which the exclusion is envisaged); before such decision is taken the member shall have the right to be heard by the General Assembly.

9.2 Any Member who has failed to pay its yearly membership dues within two (2) months after the expiration of the date when said membership dues were payable shall be in default. The Board of Directors shall send such Member a reminder for payment stating a two (2) month deadline. Failing the payment of the membership fees dues by this deadline, the Board of Directors will be entitled to terminate the membership of such Member.

9.3 A Member whose membership has been terminated for non-payment shall be reinstated upon full payment of all membership fees dues for the year in which reinstatement is sought

and of all membership fees dues which were delinquent at the time that the membership was terminated.

- 9.4 Notwithstanding Article 9.3 hereof, any ordinary or associate member in default of payment shall not be entitled to vote, to attend meetings of the Association, or otherwise to participate in its activities, except if otherwise allowed for by the General Assembly.
- 9.5 A Member who, for any reason, ceases to be a member of the Association shall have no claim against the Association's funds; such Member shall remain liable for all membership dues for the current financial year.

CHAPTER III GENERAL ASSEMBLY

Article 10 – Definition and duties

- 10.1 The General Assembly shall consist of all Ordinary Members of the Association and shall be vested with all powers necessary to achieve the object of the Association, including but not limited to the following matters:
- a) The election and/or revocation of members of the Board of Directors and of the President;
 - b) The appointment of the Association's auditor(s) upon the recommendation of the Board of Directors, if such appointment is required by Belgian law;
 - c) The approval of the balance sheet and the report of the Board Directors for the past financial year and the budget for the following year, as well as the approval of the yearly membership fees;
 - d) Any amendment to these Articles of Association;
 - e) The approval of the Association's general strategy and annual plan of activities;
 - f) The dissolution of the Association;
 - g) The exclusion of Members;
 - h) The determination of fees upon recommendation of the Board of Directors;
 - i) The ratification of admission of new Members.

Article 11 - General Assembly Meetings

- 11.1 Ordinary General Assembly Meeting: An ordinary General Assembly meeting shall be held at least once a year and before the 30 June of each year. Each meeting shall take place at the location, day and time indicated in the convocation sent by the Secretary General or the President. The agenda of the meeting shall include, at least, the approval of the financial situation of the Association for the previous financial year, the approval of the budget for the subsequent financial year, and the discharge to the members of the Board of Directors and to the Secretary General.

- 11.2 Extraordinary General Assembly Meeting: All other General Assembly meetings shall be extraordinary general assembly meetings. An extraordinary general assembly meeting shall be held whenever it is deemed convenient in order to modify the Articles of Association, upon the request of the President, of the Board of Directors or, of at least, one-quarter (1/4) of the Association's Members.
- 11.3 Notices. Notices of General Assembly Meetings shall be given in writing to the Members by the President or the Secretary General at least eight (8) calendar days prior to the scheduled date of the meeting, except if otherwise provided for in these Articles of Association. Notices shall mention the date of the General Assembly Meeting, its place and its agenda. Article 32 of these Articles of Association applies to the notices referred to in this article.
- 11.4 President. The General Assembly Meetings shall be chaired by the President or, in his/her absence, by the Secretary General or a vice-president.
- 11.5 Minutes. The minutes of the meeting shall be prepared by the Secretary General and shall be signed by the President and the Secretary General. Such minutes shall be kept at the Association's registered office and shall remain available to the Members.

Article 12 – Attendance, voting rights, agenda

- 12.1 Representation: Each Member shall be represented by one and only one of its legal representatives.
- 12.2 Voting rights. Each Ordinary Member shall be entitled to one or several votes during the general assembly according to the voting rules decided by the general assembly. If no specific rule says otherwise, each member is entitled to only one vote. The associate and honorific members can participate in the general assembly but don't have the right to vote.
- 12.3 Proxies. A Member who cannot attend to a General Assembly Meeting may be represented by a proxy holder.
- 12.4 Agenda Any items proposed in writing to the President or to the Secretary General by any of the Ordinary Members shall be on the agenda of the General Assembly Meeting if they have been notified to the President or Secretary General at least five days prior to the Meeting; the President or Secretary General shall notify, by facsimile, the Members of these items at least three days prior to the Meeting.

Article 13 - Quorums - Majorities

- 13.1 Except if otherwise provided for in these Articles of Association, decisions of the General Assembly Meetings shall be valid only if (i) at least one-third of the Members having voting rights are present or represented by proxy holders and (ii) they are approved by a simple majority of the votes expressed.

- 13.2 No resolution which was not on the agenda mentioned in the notice of the meeting may be voted upon unless all members having the right of vote are present or represented by proxy holder.

Article 14 – Amendments to these Articles of Association

- 14.1 An Extraordinary Members' General Meeting convened for this purpose may amend these Articles of Association provided that (i) a notice mentioning on the agenda the proposals of amendments is given in writing by the President at least fifteen (15) calendar days prior to the scheduled date of the meeting, (ii) at least half of the Members having voting rights are present or represented by a proxy holder and (iii) the amendments are decided by at least two-thirds (2/3) of the expressed votes.
- 14.2 Any amendments brought to these Articles of Association shall be subject to the provisions of the Belgian Law of 27 June 1921 and shall be published in the Annexes to the Belgian State Gazette

Article 15 – Decisions in writing

- 15.1. The Board of Directors may decide that a General Assembly Meeting will not be convened and may ask the Members to take some decisions in writing. The decisions that may be submitted to this written procedure are all decisions that fall within the powers of the General Assembly Meetings.
- 15.2. The Secretary General shall send to the Members the proposals of decisions in writing – whether by registered letter, facsimile or email – and shall set a deadline of at least eight (8) calendar days for the adoption or the rejection of the proposals. The Members shall send their decision by registered letter or by facsimile to the Secretary General within the deadline set by the latter; the decision shall be signed by the Member.
- 15.3. A decision in writing shall be valid provided that the rules of majority provided for General Assembly meeting have been complied with.

CHAPTER IV BOARD OF DIRECTORS

Article 16 – Definition and duties

- 16.1 The Board of Directors shall act as a body with the powers to achieve all acts of management and disposal relating to the Association. The Board of Directors shall be vested with all powers which are not reserved to the General Assembly by these Articles of Association.

The responsibilities of the Board of Directors shall include, but not be limited to, the following matters:

- a) The definition of the Association's general strategy;

- b) The definition and development of an annual plan of activities;
- c) The liaison with the European Union, national, regional and local institutions, as well as international and intergovernmental organisations;
- d) The appointment and revocation of the Secretary General
- e) The supervision and implementation of the budget;
- f) The preparation of an annual balance sheet, of an annual report, and of annual budget to be submitted to the General Assembly.

Article 17 – Composition and functioning

17.1 The Board of Directors shall be composed of two (2) up to ten (10) directors. Exceptionally, at the conditions fixed at the article 17.4. this number might be superior until the next AGM. Directors are individuals which are representing an ordinary member of the Association. Each Ordinary Member of the Association may propose a candidate for the Board of Directors.

17.2 The members of the Board are appointed by the Members' General Assembly for a period ending at the end of the Ordinary Members' General Assembly held at the time of the first, the second, the third or the fourth anniversary of their appointment. By each appointment, the General Assembly will precise if the mandate will have a duration of one, two, three or four years. The members of the Board of Directors may be re-elected.

The Members of the Board of Directors shall not be entitled to receive any remuneration.

17.3 Revocation. The members of the Board of Directors may be revoked at any time by the General Assembly provided that (i) one-half of the Members are present or represented by proxy holder and (ii) the decision is taken by three-quarters of the Members being present or represented by proxy holder.

17.4 If the affiliation of a Director ceases after the election, if the Director is revoked or is otherwise unable or unwilling to remain in office during the term of his/her appointment, the following rules apply:

- a) If the Director moves to a sector irrelevant to ARE's activities, he/she must resign immediately and the position may be taken by a substitute nominated by the ordinary member the Director represented till the next AGM.
- b) The Director moves to an entity that is already or becomes member of ARE:
 - ✓ The Director has the written support from the member he/she was formerly representing to maintain anyway his/her position. The Director can stay within the Board until the next AGM where elections will be held.
 - ✓ The Director wishes to remain within the Board as a representative of the new ordinary member. He/she can stay within the Board until the next AGM where elections will be held.
 - ✓ If the ordinary member he/she used to represent wishes to remain within the Board, it may propose another candidate that will remain within the Board until the next AGM where elections will be held.

- 17.5 Powers of attorney. The Board of Directors may grant revocable powers of attorney to one or more persons relating to the management or representation of the Association provided that such powers of attorney are specific and granted for a limited period of time.

Article 18 - Meetings

- 18.1 Meetings of the Board of Directors shall be convened by the Secretary General or the President at least once a year. The Secretary General or the President shall also convene the Board of Directors upon the request of at least two members of the Board of Directors.

The Article 32 of these Articles of Association applies to these notices.

- 18.2 Except in the case of an emergency, notice of meetings shall be given at least eight (8) calendar days prior to the scheduled date of the meeting.
- 18.3 Unless unanimously approved by the Board of Directors, no resolution may be approved concerning an item which was not mentioned on the agenda accompanying the notice of the meeting.

Article 19 – Assistance, quorums and minutes

- 19.1 The Board of Directors shall be chaired by the President or, in his/her absence, by a Vice-President or Secretary General.
- 19.2 Meetings of the Board of Directors shall be valid only if at least one third (1/3) of its members are present. One or more members of the Board of Directors may be represented by another Director or by the Secretary General acting as a proxyholder provided that such members of the Board of Directors have given clear instructions for voting in their proxies.
- 19.3 Each member of the Board of Directors shall be entitled to one single vote.
- 19.4 Except as otherwise provided for in these Articles of Association, resolutions of the Board of Directors must be decided by simple majority. The President shall have casting vote in case of draw.
- 19.5 Without prejudice to Article 19.2 hereof, the Secretary General shall be entitled to attend meetings of the Board of Directors, but without voting rights.
- 19.6 The minutes of the Board of Directors' meetings shall be prepared by the Secretary General and shall be then signed by the President and the Secretary General. Such minutes shall be kept at the Association's registered office and shall remain available to the Association's Members.

Article 20 – Decisions in writing

- 20.1 The decisions of the Board of Directors may be taken in writing with unanimously consent of the Directors.

Article 21 – President

- 21.1 The President of the Association which will be also of the General Assembly and of the Board of Directors shall be elected by the General Assembly among the members of the Board of Directors for a term ending at the end of the Ordinary General Assembly Meeting following the first anniversary of his/her election. The President may be re-elected once.
- 21.2 The President's responsibilities shall include, but not be limited to, the following matters:
- a) To chair the General Assembly Meetings and the Board of Directors;
 - b) To ensure, together with the Secretary General, that decisions taken by the Association are implemented;
 - c) To represent the Association.
- 21.3 The President designates among the members of the Board of Directors up to two Vice-Presidents subject to final decision of the board. The term of the Vice-Presidents is identical with the term of the President.

CHAPTER V SECRETARY GENERAL

Article 22 – Secretary General

- 22.1 The Secretary General shall be appointed, for a term of four years, by the Board of Directors. The Secretary General may be an individual or a corporate body and may act for more than one term.

The positions of Secretary General and Treasurer may be held by the same person.

- 22.2 The Secretary General shall be in charge of the day-to-day management of the Association under the responsibility of the Board of Directors, which shall define his powers.

In any event, the Secretary General's responsibilities shall include, but not be limited to, the following matters:

- a) To keep the Association's members informed of the Association's activities as well as of the developments concerning matters being addressed by relevant international and intergovernmental authorities;
- b) To prepare the agendas of the meetings of the Association in consultation with the President and draft the corresponding minutes;
- c) To present an annual report on the activities developed by the Association;
- d) To coordinate the Association's Working Groups
- e) Any other task assigned by the Board of Directors;

- 22.3 The Board of Directors shall determine the compensation to be paid to the Secretary General.

CHAPTER VI TREASURER

Article 23 - Treasurer

- 23.1 The Treasurer shall be appointed, for a term of four years, by the Board of Directors. The Treasurer may act for more than one term.
- 23.2 The Treasurer shall assist the Board of Directors in the preparation of the draft budgets, financial situations and business plans.

CHAPTER VII WORKING COMMITTEES

Article 24 – Working Groups

- 24.1 The Board of Directors shall be empowered to establish and dissolve working groups and shall determine their composition, powers and duration.

CHAPTER VIII REPRESENTATION OF THE ASSOCIATION

Article 25

- 25.1 For acts of the day-to-day management, the Association shall be validly represented vis-à-vis third parties by the Secretary General
- 25.2 In legal and judicial proceedings, the Association shall be validly represented, both as plaintiff and as defendant, by the President, the Secretary General or two members of the Board of Directors.
- 25.3 The Association shall also be validly represented by other individuals acting in accordance with specific powers of attorney granted by the Board of Directors, the President or, for the day-to-day management, the Secretary General.

CHAPTER IX FUNDS-BUDGET- ACCOUNTS

Article 26 - Funds

- 26.1. The funds of the Association shall consist of:

- Entrance and annual membership dues to be paid by Members;
- Voluntary contributions from Members;
- Subsidies.
- Fees for services.

Article 27 - Budget

- 27.1 The annual budget shall be prepared by the Board of Directors with the assistance of the Secretary General and, if existing the Treasurer, and shall be submitted to the General Assembly for approval.
- 27.2 The annual budget shall provide for the amount of the annual membership dues to be paid by Members.
- 27.3 New members who have applied for membership in the course of a financial year for which a budget has been approved by the General Assembly shall pay the annual membership dues set forth in said budget.
- 27.4 The Association may become member in an European or international organisation if the objective of this organisation contributes to the realization of the objective of the Association. Membership is contingent on a decision of the General Assembly on the basis of a proposition of the Board of Directors.

Article 28 - Financial year

- 28.1 The Association's financial year shall run from 1st January to December 31st.

Article 29 - Financial control of the association

- 29.1 As long as Belgian law does not require the appointment of an independent auditor, the financial control of the Association shall be carried out by the Board of Directors or, if the General Assembly decides to appoint one, by an independent auditor.
- 29.2 In the event that the appointment of an independent auditor is required by Belgian law, the annual accounts for the past financial year prepared by the Board of Directors shall be audited in accordance with Belgian law.
- 29.3 The Board of Directors shall prepare, with the assistance of the Treasurer, annual accounts for the previous financial year; such annual accounts shall be submitted to the approval of the Ordinary General Assembly Meeting.

CHAPTER X DISSOLUTION

Article 30 - Dissolution

- 30.1 The Association may be dissolved by decision of the General Assembly subject to the quorum and voting majority provided for in Article 13 hereof.

- 30.2 In the event of dissolution, the General Assembly shall appoint a liquidator, shall set forth the rules governing the liquidation proceedings and shall determine the remuneration to be paid to the liquidator.
- 30.3 In the event of liquidation, the General Assembly shall decide on the apportionment of the net balance of the Association's funds, which shall have to be allocated in conformity with the Association's aims, i.e. for not-for-profit purposes, for example, the net balance could be allocated to a non profit association with similar aims or to the development of a rural electrification project within a developing country. In any event, the liquidator shall not be allowed to allocate the net balance of the Association's funds to Members.

CHAPTER XI MISCELLANEOUS

Article 31 - Internal regulations

- 31.1 The Board of Directors may issue and amend internal regulations compatible with these Articles of Association in order to ensure the smooth running and administration of the Association.

Article 32 - Notices

- 32.1 All written notices required by this Articles of Association can also be sent by facsimile message or by electronic mail.

Article 33 – Language

- 33.1 The French version of this Articles of Association shall constitute the official version. The operating language of the Association shall be English. All meetings of the General Assembly and the Board of Directors shall be conducted in English. All communications and notices addressed to the Members or the Directors shall be in English.

Article 34 - Applicable law

- 34.1 Any dispute between the Members and the Association arising out of the validity, the interpretation, the performance or an alleged breach of these Articles of Association shall be governed by these Articles of Association and by the Belgian Law.

Article 35 - Jurisdiction

- 35.1 Any dispute between the Members and the Association arising out of the validity, the interpretation, the performance or an alleged breach of these Articles of Association shall be submitted to the sole jurisdiction of the courts of Brussels (Belgium).