

**ARTICLES OF ASSOCIATION**

**OF**

**Initiatives of Change International**

**an Association affiliating Initiatives of Change  
and Moral Re-Armament  
societies worldwide**

**Caux, Switzerland**

## **PREAMBLE**

### Fundamental Principles and History of the Movement

Initiatives of Change is a world-wide network of people of diverse races, nations, creeds and backgrounds, who are committed to transformation in society based on change in individuals, starting with themselves.

It proposes standards of absolute honesty, purity, unselfishness and love as guidelines to private and public conduct.

It affirms that there is a divine purpose for the world and each person in it.

It encourages people to seek this purpose through listening to their inner voice and to their conscience and through making what they know of God and eternal moral values central in their lives.

These ideas when lived out spread from person to person. They have given rise to the international movement which since 1946 has held world conferences in Caux, Switzerland, and generates initiatives on every continent to address such fundamental challenges as:

- Bringing reconciliation and healing where there is conflict;
- Tackling the root causes of corruption, poverty and social exclusion;
- Strengthening the moral and spiritual foundations of democracy.

Initiatives of Change is based on the work built up by Frank Buchman (1878 -1961), a Lutheran minister from Pennsylvania, USA. It has been known since 1938 as Moral Re- Armament (MRA). In 1932 in Geneva, Buchman defined the essence of his thinking: "The international problems of today are, at bottom, personal problems of selfishness and fear. Lives must be changed if problems are to be solved. Peace in the world can only spring from peace in the hearts of people. A dynamic experience of God's free Spirit is the answer to regional antagonism, economic depression, racial conflict and international strife."

Later, he expressed the role of MRA as bringing "the full dimension of change: economic change; social change; national change; international change; all based on personal change" (1949). Such a work, he believed, offered a "good road...upon which all can unite...." Christian, Jew, Hindu, Muslim, Buddhist and Confucianist – "all find they can change, where needed, and travel along this good road together" (1948), implicitly referring to all major faith traditions.

- The Members of Initiatives of Change International affirm their adherence to the above and establish the following principles:
- Initiatives of Change International does not discriminate on the basis of nationality, race, gender, religious belief or political opinion;
- The Initiatives of Change Movement is independent of any and all political or economic authorities, entities or organisations. The Members of Initiatives of Change International will maintain their autonomy, subject to the laws of their respective countries, and act in accordance with the Fundamental Principles of the Movement;

- Initiatives of Change is a voluntary movement not prompted in any manner by desire for gain; and
- The Initiatives of Change Movement, represented by Initiatives of Change International, and including individuals and entities connected to Initiatives of Change activities, is world-wide. All Members of the Association have equal status and share equal responsibilities and duties in helping each other.

## 1. Interpretation

1.1 In these Articles of Association:

**"Articles"** means these Articles of Association;

**"Associate" or "Associate Member"** means a National Society or other entity that has been admitted to the Association with voting rights except on financial matters.

**"Association"** means Initiatives of Change International;

**"Chairman"** means the presiding officer of any meeting of the Association;

**"clear days"** in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**"Consultants and Advisors"** means any individual or entity that advises and collaborates closely with the Association on general policy decisions or on specific tasks related to the Association;

**"Director"** means any member of the International Council;

**"Executive Vice President"** means that person appointed under clause 20 of these Articles of Association to be the agent of the Association for such purposes and on such conditions as determined by the International Council;

**"Founding Member"** means individuals who are the founders of the Association;

**"Full Member"** means any National Society or International Programme that has been admitted to the Association with full voting rights.

**"Global Assembly"** means the Association's governing body consisting of representatives of the National Societies and other entities which are Members of the Association as set out in these Articles;

**"Guidelines"** means the Guidelines for the Creation of MRA Legal Bodies dated July 1999, as amended;

**"lofC"** means Initiatives of Change;

**"International Council" or "IC"** means the Board of Directors of the Association;

**"International Programme"** means an autonomous IofC initiative that operates in more than one country and is recognized by the IC as eligible to become a Member of the Association.

**"Member"** means a National Society, an International Programme or other entity that has been admitted to membership of the Association either as a Full Member or as an Associate Member;

**"Membership"** means Members of the Association;

**"Moral Re-Armament"** is as defined in the Preamble;

**"Movement"** means the Initiatives of Change Movement, consisting of individuals, initiatives and entities committed to the fundamental principles of Initiatives of Change and connected to its activities;

**"MRA"** means Moral Re-Armament;

**"National Society"** means any of the legal entities with operational responsibility for IofC in one country;

**"President"** means the President of the Association and member of its International Council;

1.2 Words importing the singular shall include the plural and vice versa, words importing the masculine shall include the feminine and words importing persons shall include corporations and legal entities.

1.3 Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.

## **2. Name, Registration, Seat**

2.1 The name of the Association shall be "Initiatives of Change International".

2.2 Initiatives of Change International is an association governed by Articles 60 et seq. of the Civil Code of Switzerland.

2.3 The Association's seat and registered office shall be at Mountain House, rue du Panorama, 1824 Caux, Montreux, Switzerland. The Association reserves the right to change its seat and/or registered office and establish same in another Canton, in order to apply for and obtain tax exempt status there as a Swiss non-profit charitable organisation.

## **3. Purpose**

3.1 The purpose of the Association shall be to make available to the Membership an organisation which will:

3.1.1 Promote the principles and purposes of the Initiatives of Change Movement, as described in the Preamble;

3.1.2 Represent the universality, diversity and multi-faith character of the Movement and safeguard its standards, values and basic ideas as expressed in the Preamble to these Articles

3.1.3 Develop a vision of lofC's role and strategy that will be shared by the Membership;

3.1.4 Strengthen the lofC Movement by building trust and facilitating connections and partnerships between all lofC entities, including local teams;

3.1.5 Facilitate the global operations of the Movement and govern its relationships with international institutions and organisations.

3.1.6 Have oversight of and responsibility for certain international lofC programmes and projects either directly or through delegation to one of its Members.

3.1.7 Define and regulate the ownership and international use of the names "Initiatives of Change" and "Moral Re- Armament" and the acronyms "MRA" and "lofC" as trade names, corporate names, logos, emblems or otherwise as any form of intellectual property;

3.1.8 Provide a common point of reference for Members and other lofC entities to establish agreed operational standards and guidelines;

3.1.9 Define and regulate the admission of new Members into the Association, with special attention paid to creating a legal framework within which the work of Initiatives of Change may be undertaken by Associate Members in countries where no National Society exists.

#### **4. Achievement of the Purpose**

The Association aims to achieve the purpose defined in Article 3.1 of these Articles by:

(a ) Affirming the universality and multi-faith character of Initiatives of Change today, without prejudice to any articles of association of any existing National Society or Associate;

(b) Establishing clear standards for Members;

(c) Acting as the permanent body of liaison, co-ordination and study between Members and giving them assistance where appropriate;

(d) Encouraging and promoting in every country the establishment and development of an independent and duly recognized Member;

(e) Registering and protecting internationally the name and trademarks of "Initiatives of Change", "Moral Re-Armament" (or translations of these) and/or the acronyms "MRA" and "lofC" and any future names and trademarks which the Association might wish to use;

(f) Granting and revoking licences to Members to use the name and trademarks of "Initiatives of Change", "Moral Re-Armament" (or translations of these) and/or the acronyms "MRA" and "lofC";

(g) Strengthening the Movement's relationships with international institutions, especially the United Nations;

(h) Enhancing the Association's standing by causing the Association to be granted the status of an international non-governmental organization (NGO) and/or consultative status with the Economic and Social Council of the United Nations;

- (i) Managing funds that may be given, bequeathed or entrusted to the Association; and
- (j) Carrying out such other activities as the Association may legally pursue in support of its purpose.

## **5. Membership**

5.1 Membership of the Association shall consist of any entity listed as a Member in the Register of the Association.

5.2 The Founding Members of the Association and recorded as founders in the Register of the Association are:

- Rajmohan Gandhi, India;
- Ailsa Hamilton, UK ;
- James Hore-Ruthven, UK;
- Pieter Horn, South Africa;
- Philippe Lasserre, France;
- Ashwin Patel, Kenya;
- Richard Ruffin, USA;
- Cornelio Sommaruga, Switzerland;
- Peter Thwaites, Australia;
- Richard Weeks, Canada.

5.3 Founding Members will relinquish their voting privileges at the conclusion of the ordinary annual meeting following the admission of 12 National Societies as Members to the Register of the Association.

5.4 Only one National Society in any one country may be a Member of the Association. However, an International Programme based in a country which has a National Society which is a Member may also be a Member. Other lofC entities may be admitted as Associate Members by the International Council in order to assure that all parts of the lofC Movement are represented in the Association.

5.5 Letters of acceptance and resignation of membership shall be kept on file and regularly recorded in the Register of the Association.

5.6 The Register of the Association shall specify whether a Member is a National Society, an International Programme or another lofC entity and whether it is a Full Member or an Associate Member. It shall be kept and updated by the Secretary of the Association.

## **6. Admission of Members**

6.1 Membership shall be open to all National Societies, International Programmes and other lofC entities. National Societies and International Programmes may be admitted as Full Members if, in the opinion of the International Council, they comply with the Association's purposes and have practices that are in line with the Guidelines. National Societies,

International Programmes or other IofC entities may be admitted as Associate Members if, in the opinion of the International Council, they comply with the Association's purposes.

6.2 The International Council shall have absolute discretion as to the admission of any applicant as a Member of the Association. The decision of the International Council shall be final. Reasons for rejecting an application shall be communicated in writing.

6.3 There shall be no limit to the number of Members of the Association.

6.4 An application to become a Member of the Association shall be made by the applicant in such form or forms as may from time to time be prescribed by the International Council.

6.5 Upon admission the name and address of the new Member shall be entered in the Register of the Association. In the case of Associate Members, membership will be for renewable terms of three years.

## **7. Association Corporate Bodies**

The Association corporate bodies are :

- (a) the Global Assembly; and
- (b) the International Council.

## **8. Global Assembly**

8.1 The Association's supreme authority shall be the Global Assembly presided over by the President. The Global Assembly is constituted by the Membership of the Association.

8.2 Each Member of the Association may appoint up to two representatives to the Global Assembly for renewable terms of one to three years;

8.3 The appointment of a representative and his or her removal by a Member shall be effected by the receipt by the Secretary of the Association of a letter signed by a duly authorized person on behalf of the Member. The appointment of a representative as proxy for another Member shall be effected by the receipt by the Secretary of the Association of a proxy signed by a duly authorized person on behalf of the appointing Member. Such proxy shall be valid for one meeting only and shall automatically lapse following the close of the respective meeting for which the proxy was appointed. The representative so appointed as proxy shall be limited to representing by proxy one Member other than the Member for which that person is the duly authorized representative at any given meeting.

## **9. Meetings of the Global Assembly**

9.1 All meetings of the Global Assembly, other than ordinary annual meetings, shall be called "extraordinary general meetings".

9.2 The Association shall hold an ordinary annual meeting in every calendar year at such time and place as may be determined by the International Council provided that every ordinary

annual meeting shall be held not more than nine months after the end of the relevant calendar year. Such ordinary annual meeting is mandatory.

9.3 The International Council may call an extraordinary general meeting at any time. Furthermore, upon request of at least one fifth of the Members, the International Council shall convene an extraordinary general meeting straight away for a date not later than eight weeks after receipt of the requisition.

9.4 Ordinary annual meetings and extraordinary general meetings are convened by telefax, letter or electronic mail addressed to each Member, with the agenda of the meeting, at the latest thirty days before the date of the meeting.

9.5 The agenda of meetings of the Global Assembly shall be determined by the International Council in accordance with Articles 10-12. Any Member may apply to the International Council to include a point in the agenda at the latest fifteen days before the date of the meeting of the Global Assembly. Any additional point included in the agenda following such a request shall be immediately communicated by the International Council to the Membership.

## **10. Proceedings at the Global Assembly**

10.1 The President, or in his or her absence the Executive Vice President, or in the absence of both of them some other representative nominated by the Global Assembly, shall preside as Chairman of the Global Assembly.

10.2 At the ordinary annual meeting of the Global Assembly, the following business shall be conducted by the Chairman:

- minutes of the previous ordinary annual meeting shall be approved after questions or comments from Members;
- an annual report prepared by the International Council shall be presented to and approved by the Global Assembly;
- audited accounts and a report from the Treasurer shall be submitted to and approved by the Global Assembly;
- auditors shall be appointed or re-appointed. The International Council is authorized to set the remuneration of the auditors.

10.3 The Chairman may, with the consent of the Global Assembly (and shall if so resolved by the Global Assembly), adjourn the meeting from time to time and from place to place, but no resolutions shall be made at an adjourned meeting other than the resolutions which might properly have been made at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the agenda. Otherwise it shall not be necessary to give any such notice.

10.4 Any Member via its duly authorized representative(s) may participate in a meeting of the Global Assembly by means of conference telephones or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person by that Member (or by proxy as per sub-clause 8.4 of these Articles) at such meeting for all purposes including that of establishing a quorum.

10.5 The International Council may also invite Special Delegates or Observers to attend a Global Assembly and take part in discussions. Special Delegates may take part in votes with a consultative vote.

## **11. Voting at the Global Assembly**

11.1 The Global Assembly constitutes a quorum if representatives of at least 33 per cent of the Members are present, or represented by proxy. For purposes of proxy, no Member may represent by proxy more than one other Member. Sub-clause 8.4 of these Articles shall govern the issuance and validity of proxies.

11.2 Each Member shall have one vote which shall be cast by its authorized representative(s). Full members will vote on all matters. Associate Members will vote on all matters except financial matters.

11.3 Unless provided otherwise in these Articles, the resolutions to be made require a simple (51%) majority of the voting Members present at the meeting.

11.4 The Chairman of the Global Assembly shall have a casting vote but only in the event of a deadlock on matters before the Global Assembly.

11.5 The amendment of these Articles requires a qualifying majority of 75% of Full Members, present and not present, and a 75% majority of Full Members and Associate Members, present and not present.

11.6 Resolutions related to the acquisition for consideration, transfer or alienation of property of the Association worth more than US\$10,000 must be adopted by a qualifying majority of 75% of the voting Members present at the meeting.

11.7 Abstentions from voting shall be counted as invalid votes.

11.8 In lieu of an extraordinary general meeting, the International Council may at its discretion put a resolution in writing before the Members by electronic means. Members will have not less than 30 days in which to vote. For such a resolution to pass, 85% of the Membership of the Association is required to vote in favor of it. The resolution will take effect 15 calendar days after the results of such voting have been communicated to the Membership. A resolution adopted by electronic means will be recorded in the minutes.

11.9 The resolutions of the Global Assembly shall be recorded in the minutes.

## **12. Powers of the Global Assembly**

The Global Assembly shall have the sole authority to:

- (a) amend the Articles;
- (b) elect the President of the Association, who shall normally serve for a term of three to four years, renewable, and who shall also be a member of the International Council;
- (c) elect members of the International Council;

- (d) approve the annual report as previously adopted by the International Council;
- (e) approve the budget, the annual audited accounts and the report from the Treasurer;
- (f) appoint, upon the recommendation of the International Council, an independent accountant to audit the Association's accounts at the end of each financial period;
- (g) set dues or other fees, as may be required for purposes of meeting the annual running expenses of the Association;
- (h) advise the International Council on all matters and decide upon any question submitted to it by the International Council;
- (i) set limits on expenditures by the International Council;
- (j) form ad hoc committees or working groups to examine and possibly to discharge specific tasks;
- (k) adopt and amend Regulations and Policy Directives for the management and operation of the Association;
- (l) dissolve the Association; and
- (m) adopt any other resolution reserved by these Articles to the competence of the Global Assembly.

### **13. Members**

13.1 The Members in each country are an interface between the Movement and their governments and the public. They are also stewards of the money, property and other assets entrusted to the Association for the work Initiatives of Change undertakes, and, ultimately, of the integrity of actions taken in its name and in the name of the Association.

13.2 The Members shall promote the Fundamental Principles of the Movement as defined in the Preamble and the Purposes of the Association within their countries of origin.

13.3 Each National Society that is a Full Member shall hold at least one meeting per calendar year and forward copies of their annual audited accounts and report of activities to the Secretary of the Association within nine months of the end of their financial year.

### **14. International Council**

14.1 The Association shall be managed by an International Council composed of nine (9) to eleven (11) members, including the President, Executive Vice President and Treasurer. The Executive Vice President and Treasurer shall each come from a different Member.

The International Council will provide leadership to lofC I in agreement with the goals of the Association and the directives of the Global Assembly, and in particular:

- build and facilitate partnerships across lofC;
- develop, coordinate, manage and evaluate transnational programmes of action that serve lofC's vision and strategies in addressing world needs;
- articulate lofC's message and get it into the public domain, while also building effective communications within the network;

- empower people as agents of change and build leadership capacity through carefully designed and supervised training and development;
- search for resources and funds to meet IofC's needs;
- design and manage collaborative actions with other agencies;
- ensure the management and see to the practical running of the International Association (see Article 17, "Powers and Duties of the International Council").

14.2 Members of the International Council, except for the President, shall be elected for four year terms, renewable once by election for an additional two years. IC members may be elected for further terms, but only after a four-year break in each case.

14.4 Prior to his or her election, each candidate for the IC must be approved in writing by his or her National Society, or by the International Council.

14.5 The Secretary of the Association shall keep a Register of the members of the International Council.

14.6 The upper age limit at the beginning of the term of service for any member of the International Council, except the President of the Association, to be elected or renewed as a member of the International Council, shall be 70.

14.7 The terms of service of all IC members shall end on September 30 and begin on October 1.

## **15. Proceedings of the International Council**

15.1 The International Council shall meet as frequently as the proper management of the Association requires, but at least two (2) times a year.

15.2 The International Council may meet, adjourn and otherwise regulate its meetings as it thinks fit.

15.3 Any three (3) members may, and the Secretary at the request of such members shall, at any time call a meeting of the International Council.

15.4 Unless all members indicate their willingness to accept shorter notice of a meeting of the International Council, notice of every meeting shall be given to every member not later than 14 days before the date of the meeting. Notice of every meeting of the International Council shall be given by letter, telefax or electronic mail. The non-receipt by any member of a notice made in the prescribed form shall not invalidate the proceedings at any meeting of the International Council.

15.5 A resolution in writing of all the members shall be as valid and effective as if it had been passed at a meeting of the International Council duly convened and held and may consist of several documents (including a facsimile or electronic mail) each accurately stating the terms of the resolutions and each signed or its electronic equivalent by one or more of the members.

15.6 Any member may participate in a meeting by means of a conference telephone or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting for all purposes including that of establishing a quorum.

15.7 The International Council shall appoint the Executive Vice President, Treasurer and Secretary of the Association.

## **16. Voting at meetings of the International Council**

16.1 The International Council constitutes a quorum if an absolute majority of all members is present.

16.2 Resolutions of the International Council shall be passed by a simple (51%) majority of the voting and present members.

16.3 The Chairman of the meeting shall have a casting vote where it is required to reach a decision at the meeting.

## **17. Powers and Duties of the International Council**

17.1 The International Council shall be responsible for those matters relating to the management of the Association's affairs which are not enumerated in these Articles as being the responsibility of the Global Assembly.

17.2 In particular, but without prejudice to the generality of sub-clause 17.1, the International Council shall be responsible for:

- (a) preparing and calling the meetings of the Global Assembly;
- (b) determining the agenda for the meetings of the Global Assembly;
- (c) following up and implementing the resolutions of the Global Assembly;
- (d) adopting, amending and distributing to Members Internal Regulations for the management and operation of the International Council. The Rules, Regulations and Policy Directives adopted by the Global Assembly shall however prevail over any contrary provision of the International Council's Internal Regulations.
- (e) submitting to the Global Assembly an annual report on the Association's management during the past fiscal year, and a draft budget for the next fiscal period;
- (f) admitting and excluding Members;
- (g) granting and revoking licences to Members for the use of the names "Initiatives of Change", "Moral Re- Armament" (or a translation of these) and/or the acronyms "MRA" and "IofC"(see also clause 23.6);
- (h) appointing advisors and forming ad hoc committees to examine and possibly to discharge specific tasks;
- (i) appointing the Executive Team to facilitate and lead the work of the Council;

(j) engaging personnel and/or third party consultants to carry out secretarial, accounting or other tasks on behalf of the Association; and

(k) reporting to the Global Assembly on the accomplishment of its functions.

17.3 The International Council shall ensure the Association's good running and shall direct its activities in conformity with the Rules, Regulations and Policy Directives of the Association, as well as with the resolutions of the Global Assembly.

17.4 The International Council shall manage the Association as simply and as economically as possible, and shall strive to avoid any duplication or overlap of functions.

17.5 Subject to timely reporting to the Global Assembly, it may delegate part of the administration of the Association to one or more of the Members, and/or representation of the Association to one or more delegates appointed for such purpose by the International Council.

17.6 Within four months after the end of the accounting year, the International Council shall have drawn up a balance sheet and a revenue and expense statement of the previous fiscal period.

17.7 The International Council shall appoint from its members the person(s) who shall represent the Association, and in particular the Executive Vice President of the Association.

## **18. Disqualification, Removal and Resignation of IC Members**

18.1 A member of the International Council shall leave office:

(a) if he or she resigns; or

(b) if he or she is or becomes bankrupt, insolvent or enters into any arrangement with his or her creditors; or

(c) if in the opinion of a majority of the other members of the International Council he or she becomes incapable by reason of illness, prolonged absence, injury or mental disorder of exercising his or her functions as an IC member; or

(d) if he or she is removed from office by a resolution of the Global Assembly duly passed in accordance with the provisions of these Articles.

18.2 In the event that an IC member resigns or is removed from office, the remainder of the vacated term may be filled at a meeting of the Global Assembly by a simple majority of the Members present.

## **19. Advisors and Consultants**

19.1 The Association may have advisors and consultants to collaborate with it, advising it on general policy decisions or on specific tasks related to the Association as a component of the Initiatives of Change Movement.

19.2 The Treasurer shall be the Association's advisor for all financial matters of the Association.

## **20. President and Executive Vice President**

20.1 The President of the Association shall represent the Association for external purposes.

20.2 The President shall preside as Chairman of the Global Assembly, unless as specified in Article 10.2, and of the International Council.

20.3 The Executive Vice President shall be the agent of the Association for such purposes and on such conditions as determined by the IC, including authority for the agent to delegate all or any of his or her powers.

20.4 In absence of the President, the Executive Vice President shall preside as Chairman at meetings of the Global Assembly and International Council.

20.5 The Executive Vice President shall be appointed for a period of one year, renewable.

20.6 Subject to the provisions of the Swiss Civil Code and these Articles, the Executive Vice President shall manage the affairs of the Association through the International Council within the terms of the policies and procedures set out by the Global Assembly and the International Council.

## **21. Secretary and Treasurer**

21.1 The Treasurer shall be appointed for a period of one year, renewable.

21.2 The Secretary, who shall not be an IC member, shall be appointed for a term of three years, renewable.

21.3 The Secretary and Treasurer shall have the rights and duties provided for in these Articles as well as those rights and duties as may be decided by the Global Assembly and/or the International Council.

## **22. Personnel and Third Party Consultants**

22.1 The International Council may engage any personnel or mandate third party consultants on a fee and expenses basis to carry on secretarial, accounting or other tasks on behalf of the Association.

22.2 Such personnel or third party consultants shall not be granted power to represent and bind the Association by their signature, except by a minuted decision of the International Council.

22.3 Personnel shall report to the International Council and third party consultants shall be responsible for the result of their mandates to the International Council.

22.4 The IC shall pay reasonable salaries and social charges to personnel or agreed fee remuneration and reimbursement of expenses to third party consultants in accordance with Swiss law.

## **23. "Initiatives of Change" names, trademarks and logos, "Moral Re- Armament" name and "MRA" and "IofC" Acronyms**

23.1 The Association shall be the exclusive worldwide owner of the name "Initiatives of Change" and related trademarks, logos, emblems, and all other related intellectual property, and will take the necessary steps in cooperation with each Member with respect to this intellectual property, as well as with respect to the name "Moral Re-Armament" and the acronyms "MRA" and "IofC", to register same and control and protect them against any unauthorized use of same anywhere in the world.

23.2 Each Member shall be authorized to use in its territory the name "Initiatives of Change" and related logos, trademarks, emblems and other intellectual property of the Association, as well as the name "Moral Re-Armament" and the acronyms "MRA" and "IofC", as shall the International Council.

23.3 Each Member agrees to display the name "Initiatives of Change" and associated logo or emblem, and in addition the name "Moral Re-Armament" and/or the acronyms "MRA" and "IofC", only in the manner as may be approved by the International Council in accordance with the Rules, Regulations and Policy Directives of the Association, unless prevented by national laws and regulations.

23.4 Otherwise, the provisions of the licences granted by the International Council on behalf of the Association to Members of these Articles relating to the use of and the protection of the name "Initiatives of Change" and related intellectual property of the Association, as well as to the use of and the protection of the name "Moral Re-Armament" and the acronyms "MRA" and IofC, shall prevail.

23.5 Upon ceasing to be a Member of the Association, such Member shall immediately cease to use the name "Initiatives of Change" and related logo, emblem and all other related intellectual property of the Association, as well as use of the name "Moral Re-Armament" and the acronyms "MRA" and "IofC", and shall have no rights in such names and acronyms. Any licence granted to such Member shall terminate automatically.

23.6 Notwithstanding Articles 23.1 – 23.5 and Article 17.2(g), the Association recognizes that a National Society that is neither a Full Member nor an Associate Member may, because of established use, have the right to use the name Moral Re- Armament and the acronym "MRA".

23.7 The terms and conditions in this Article applying to the names "Initiatives of Change" and "Moral Re-Armament" apply equally to translations of these.

## **24. Fiscal Year**

24.1 The accounts of the Association shall be audited annually by an independent accountant.

24.2 The fiscal year of the Association shall end on 31 December of each calendar year.

## **25. Finance Committee**

25.1 The International Council has discretionary power to appoint a Finance Committee from among its members with responsibility for the performance of tasks related to the operation of the Association.

## **26. Financial Resources of the Association**

26.1 The financial resources of the Association shall consist of:

- (a) its own funds;
- (b) voluntary contributions of Members;
- (c) annual dues or other fees as determined by the Global Assembly for purposes of meeting the annual running expenses of the Association. The Global Assembly may decide from time to time not to request any such dues or other fee from the Members for any specific calendar year;
- (d) any income earned by the Association; and
- (e) any gifts, legacies, grants or funding received by the Association.

26.2 Surplus funds shall be prudently managed and used exclusively for the purposes and objectives of the Association and shall be invested by professional money managers as may be mandated and approved by the International Council.

## **27. Liability of the Association and of Members**

27.1 The Association may be legally bound only upon the joint signature of two (2) persons appointed for this purpose by the International Council.

27.2 Obligations and liabilities of the Association shall be guaranteed by and can be enforced only against the Association's own assets.

27.3 Neither Members nor their representatives to the Global Assembly, nor the International Council nor any of its members, shall be personally liable, jointly or severally, for any obligations or liabilities of the Association.

27.4 Members are only liable for the payment of annual dues and any other fee, as applicable, as provided by clause 26.1(c) of these Articles.

## **28. Resignation**

28.1 Any Member may resign its membership by giving six months' prior notice before the end of a calendar year in writing to the Secretary of the Association. Membership shall therefore terminate at the end of such calendar year, subject to clause 29 of these Articles.

28.2 Any Member giving notice in accordance with the provisions of sub-clause 28.1 of these Articles shall be removed from the Register of Association as of the date of effective termination of its membership, subject to clause 29 of these Articles.

28.3 Upon ceasing to be a Member of the Association, any Member shall have no rights in any assets or property of the Association, and, unless such Member immediately applies for Associate membership and is accepted as an Associate Member, it shall immediately cease to use the names, trademarks and logos of the Association (as per Article 23) in any manner which may imply that it is still a Member of this Association for any purpose.

28.4 Once a new Member has been admitted in a country in succession to a former Member which has voluntarily resigned, the resigning Member shall use its reasonable endeavours to facilitate the transfer to the new Member of work formerly undertaken within the framework of its activities as a Member of the Association.

## **29. Expulsion and Suspension of Members**

29.1 The International Council may at any time by a majority of 75% of all its members resolve that a Member be expelled from the Association if:

- (a) a Member does not abide by any terms of these Articles; or
- (b) a Member does not comply with the Fundamental Principles of the Movement as defined in the Preamble of these Articles, or with the purposes of the Association or the means to achieve such purposes as defined in Clauses 3 and 4 respectively of these Articles; or
- (c) a Member has been, in the opinion of the International Council, guilty of any act, omission or conduct which may bring discredit on the Association or any of its Members or the Movement or is likely to be detrimental or prejudicial to the reputation, interest and dignity of the Association or its purposes or objectives or of any of its Members or to the Movement or to any of its objectives; or
- (d) a Member is declared bankrupt or insolvent or makes any composition or arrangement with its creditors generally or goes into liquidation other than a voluntary liquidation for the purposes of reconstruction or amalgamation or is dissolved or has a receiver or administrator appointed in respect of the whole or part of its assets and undertakings.

The decision of the International Council shall be final.

29.2 Any Member expelled from the Association shall have no rights in any assets or property of the Association, and shall immediately cease to use the names, trademarks and logos of the Association (as per Article 23) in any manner which may imply that it is still a Member of this Association for any purpose.

29.3 Any Member whose name has been removed from the Register of Association by reason of the non-payment of its membership dues may have its name re-entered therein upon payment of such subscription within one month of the removal of its name with the prior written consent authorized by the International Council.

29.4 Before the final action to expel any Member is taken, such Member shall have the right to appear before the International Council.

29.5 Instead of expelling a Member from the Association, the International Council may suspend the membership of such Member and give it formal notice that if the situation giving rise to such

notice has not been remedied within a reasonable time limit fixed by the International Council, such Member shall be expelled from the Association.

### **30. Miscellaneous**

30.1 No press or other public statement or circular shall be made or issued in connection with the subject matter of these Articles unless previously approved by the International Council.

30.2 The headings in these Articles are for ease of reference only and shall not form any part of these Articles for the purposes of construction.

30.3 If at any time any term or provision in these Articles shall be held to be illegal, invalid or unenforceable, in whole or in part, under any rule of law or enactment, such term or provision or part shall to that extent be deemed not to form part of these Articles, but the enforceability of the remainder of these Articles shall not be affected.

30.4 The Association may be wound up at any time, by the vote of a qualifying majority of 75% of the Full Members, present and not present, and a 75% majority of Full Members and Associate Members, present and not present, at a Global Assembly called for such purpose which, in that event, shall appoint the official body to be responsible for liquidation.

30.5 Any net assets after settlement of all obligations and liabilities shall be donated to Initiatives of Change work or, failing that, shall be divided among and donated to the Members pro rata in proportion to their average annual contributions to the Association over the period of the last five years. In any case, such net assets must be donated or put towards one or more charitable purposes or objectives pursued by the Movement.

### **31. Law and Jurisdiction**

31.1 These Articles of Association shall be governed by and construed exclusively in accordance with Swiss law.

31.2 Any dispute arising from these Articles between the Association and any Member or Associate shall be submitted to the exclusive jurisdiction of the courts of the Canton of Vaud, Switzerland.

31.3 Any dispute between Members arising from these Articles, the Fundamental Principles and purposes pursued by the Movement, or means to achieve same, at the request of any one of the parties to the dispute be submitted for final resolution to the International Council. In the case where the dispute involves solely issues related to these Articles, then in such event the IC shall have the right to intervene pro se in the dispute, act as arbitrator and resolve same. The decisions of the International Council in all such matters shall be final and binding.