

FOREIGN INVESTORS ASSOCIATION OF ALBANIA (FIAA)

BY-LAWS (last reviewed on March 23rd, 2016)

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"Foreign Investors Association of Albania" (FIAA) is constituted on 19.02.2000 and is registered as legal entity with decision No. 1173 dated 20.04.2000 of the Tirana District Court. Based on law no. 8788 dated 07.05.2001 "On Non Profit Organizations", the general meeting of the FIAA-s membership as of June 20, 2002 decided to adopt all the necessary amendments and draft the following bylaws:

Article 1

Association's Name, Initials and Symbol

- (i) Name of the association is "Foreign Investors Association of Albania" (translated in Albanian Shoqata e Investitorëve të Huaj në Shqipëri) shortly "FIAA", which hereinafter in these Bylaws shall be called "The Association".
- (ii) Symbol and Initials of the Association shall be "FIAA".
- (iii) The Association shall have its seal which shall bear its full name and the signs which characterize its name and it may have its own registered logo.

Article 2

Founders, Headquarters and Duration of the Association

- (i) The founders of the "Foreign Investors Association of Albania" (FIAA) were the following persons:
 - 1- Mr. Pierre Semaan, Lebanese, born on 25.03.1963, representative of "Seament Albania" Shpk Company with the activity in production and trade of cement;
 - 2- Mr. Bennet Manning, American citizen, born on 20.08.1944, representative of "Melrose" Company, with the activity in the civil construction;
 - 3- Thomas Lodge, citizen of Zealand, born on 06.10.1948;
 - 4- George Daniolos, Greek citizen, born on 21.11.1967, representative of "Vodafone Albania" Shpk Company with the activity into the mobile telecommunication sector; and
 - 5- Carl Henrich Deetjen, German citizen, born on 08.02.1944, representative of "Albaniasped" Shpk Company, with the activity into the international and national transportation business.

The Headquarters of the Association is located "Themistokli Gërmenji" str. Building Pegaso, 2nd floor, Ap. 9, **Tirana, Albania**

- (ii) The Association will exercise its activities in the whole territory of Republic of Albania and may establish branches in every region of Albania. The branches shall be considered as part of the Association and under no circumstance shall be considered as different juridical entities. The Association, upon deliberation of its highest decision making body, may establish branches and/or secondary offices outside the territory of the Republic of Albania.
- (iii) The Association shall operate for an unlimited period of time and can be dissolved at

any time, in conformity with article 23¹ of the present By-laws.

Article 3

Purposes and Goals

- (i) The Association will take care of the interests of its members, proposing and attempting concrete steps. It aims to consolidate the cooperation and friendship relation between the Association members and solve their problems to the common interest of all the members and the public interest.
- (ii) The association will attempt and undertake the necessary institutional steps to improve the Albanian legislation in general and in particular the legislation directly concerning the activity of its members, for the purpose of promoting the development of foreign investors activity in Albania.
- (iii) The Association will cooperate and debate with the Albanian Governments, as well as any national or international concerned agency, in order to achieve its objectives.
- (iv) With the purpose of accomplishment of its, goal the Association will cooperate and keep relations with other similar organizations in or out of the Republic of Albania.
- (v) Association is a non-profit organization. Association funds shall be used only for the fulfillment of its objectives and purposes.

Article 4

Funds of the Association

- (i) The funds of the Association shall be used only for the fulfillment and promotion of its objectives and purposes, as set forth in Article 3 of these By-laws.
- (ii) The funds of the Association consist of:
 - a) Membership fees and contributions;
 - b) Interests paid on funds held in the accounts of the Association, carrying on all or any of its operations and not-for-profit business;
 - c) Contributions or donations for the Association or for specific projects managed by the Association, given by any Albanian local or international donor or governmental institutions;
 - d) Incomes derived from the economic activities pursued within the objectives of the Association and its assets;
 - e) Any other sources or income in compliance with the law.
- (iii) No portion of the Associations' funds and assets shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to members thereof. All activities of membership, including service on the Board of

¹ Please note that the number of the Article on **Dissolution of the Association** can be renumbered according to the changes in the numbering of the final draft of By-laws.

Directors or on any committee authorized by the Board, are performed on a voluntary basis. No Member or Board member is paid for his or her service to the Association, except for reasonable expenses incurred in service to the Association which shall be reimbursed from the Association's funds.

- (iv) The Association does not accept donations or financial grants accompanied with conditions which would limit its liberty to act and take decisions.

Article 5

- (i) In order to carry out its purpose and programs the Association can have an economic activity, which must be in accordance with the purpose of the Association. This activity might be one of the possible incomes of the Association. The possible profits which might result from this economic activity shall be used only for the completion of the purpose of the Association prescribed in this bylaw.

Article 6

- (i) The financial year starts from January 1st and ends on December 31st of each year.

Article 7

- (i) In the first meeting of each year (Annual General Assembly) the Board of Directors will present all the financial activity of the Association referring to the previous year to the Assembly.

Article 8

Membership

- (i) The Association is established by its founding members as defined in Article 1.
- (ii) Member of the Association can be any entrepreneur or a legal entity meeting the following criteria:
 - a) An entrepreneur as defined by the Albanian legislation, which has accomplished an investment in the Republic of Albania from abroad;
 - b) A legal entity controlled by a foreign individual or a foreign legal entity, registered in Albania in compliance with Albanian legislation;
 - c) An Albanian entrepreneur or legal entity with good reputation in the Albanian business environment that contributes to foreign investments in general and to the activity of the Association in particular.
- (iii) Any legal entity or entrepreneur meeting the above criteria willing to join the Association as member should submit a written application to the Executive Director. In case of a legal entity, its legal representative must represent it. Such representative must have a managerial status within the legal entity. Applications are scrutinized by the Board of Directors which decides on their rejection or approval.
- (iv) Members of the Association which are legal entities are represented by their legal representatives. In case the term of a legal representative is terminated, the member

- should inform the Executive Director on the new representative.
- (v) The Association recognizes the status of “Honorary Member”, which is conferred by the Board of Directors upon the members who have an uninterrupted membership for over 10 years with the Association.
 - (vi) The Association does also recognize and can award the status of “Honorary President” to the first President of the Association and also to the President with the longest term of office.

Article 9

Membership fees

- (i) The Board of Directors shall determine membership fees in the last meeting of the year for the successive year.
- (ii) Every member pays a yearly membership fee upon entering in the Association. All members shall pre pay the contribution fee at the same moment of becoming member and approving the Bylaws of the Association and the existing members shall pay within the month of February of every year.
- (iii) The membership fees shall be paid in the accounts of the Association and held at a second tier bank within the territory of the Republic of Albania.
- (iv) The Board of Directors, upon the proposal of the President and/or Executive Director, may amend the membership fee for the successive year.

Article 10

- (i) Any member may resign from the membership by a written notice given to the Board of Directors at least one month ahead. The existence and continuity of the Association will not be affected by any change in the membership number, which under any circumstances shall not be less than two entities or five individuals. Former members may not present any claim to the property of the Association or any other claim as to their contribution on the past for the well being of the Association. Former members may not present any claim to the property of the Association or any other claim as to their contribution on the past for the well being of the Association.

Article 11

Member’s dismissal

- (i) The membership in the Association might be terminated by dismissal for systematic serious violations of these Bylaws or for actions or omissions that are detrimental to the Association.
- (ii) More specifically, a member of the Association may be dismissed for:
 - a) failure to pay the annual membership fee within two months following the General Meeting;

- b) dissemination of false information which discredits the Association or has;
- c) dissemination of confidential information regarding Association;
- d) use of the membership in the Association for personal benefits;
- e) involving Association in the political life or activities;
- f) commitment of other acts which run against business principles and code of ethics;
- g) any other breach of these Bylaws and the relevant Albanian laws.

Article 12

Association' Structure

- (i) The Association has the following organs, whose powers are specified in the articles below:
 - 1. General Meeting;
 - 2. Board of Directors;
 - 3. Executive Director;
 - 4. President;
 - 5. Secretary;
 - 6. Treasurer.

Article 13

General Meeting

- (i) The General Meeting is convened at least once a year. It may be convoked at any time upon request of the President or the majority of the members of the Board of Directors or by 1/5 of the members of the Association.

Article 14

Adoption of resolutions by the General Meeting

- (i) The General Meeting will pass resolutions by a simple majority of votes and in accordance with the provisions of these By-laws.
- (ii) The General Meeting can pass resolutions only if attended by a quorum of 51% of the members, otherwise, a second meeting will be held, in the same place and with the same agenda, at least five days later. Such quorum shall be $\frac{3}{4}$ of the members on matters that are related to the amendments, modifications or supplements of these By-laws or dissolution of the Association.
- (iii) The General Meeting discusses and votes all items on the agenda, but if 20 members jointly add items on the agenda, the General Meeting discusses such items and passes resolutions on them, too.
- (iv) The General Meeting will be chaired by the President, or the Vice President, if the President is absent. If the Vice President is also absent then the meeting is chaired by the oldest member of the Board of Directors.

Article 15

General Meeting's Competences

- (i) The General Meeting is the only competent body to pass the following resolutions:
1. Amendments of these By-Laws;
 2. Rules of its functioning;
 3. Activities of the Association;
 4. Annual budget and expenses of the Association;
 5. Establishment of branches of the Associations;
 6. The election of the members of the Board of Directors;
 7. Special committees;
 8. Dissolution and winding up of the Association;
 9. Any other matter validly brought before it by 20 members.

Article 16

Board of Directors

- i. The members of the Board of Directors are elected from the General Meeting out of the representatives of the members of the Association. FIAA encourages women to run for the Board of Directors.
- ii. The Board of Directors consists of 7 members. The President is automatically the newly elected Board Member who gets more votes than the others.
- iii. Vice President is the member of the Board who is ranked immediately after the President in the election.
- iv. The Treasurer and the Secretary are elected by the Board in secret ballot or in full consensus during the first meeting of the Board of Directors.
- v. The term of the Board of Directors is a two years term, with the right of re-election for another term only.
- vi. A member of the Board may resign from the Board at any time by submitting a written notice of resignation by the Executive Director.
- vii. A member of the Board missing 4 consecutive meetings within one year shall have the term automatically terminated.
- viii. In both above cases that create vacancy, the Board will co-opt a new member from the top of the list of the persons voted in General Meeting. This applies only if the vacancy is not less than 6 months until the next General Meeting.
- ix. Board Directors may be dismissed before the termination of their term only by the General Meeting upon the written request of at least 30 members of the Association or the majority of the members of the Board.
- x. A Board Director can also be automatically dismissed if he/she is dismissed by the member of the organization or the member is liquidated as a legal entity.

Article 17

Activity of the Board of Directors

- (i) The Board of Directors deals with the day-to-day business of the Association and carries out specific functions and tasks as instructed by the General Meeting.
- (ii) The Board of Directors passes resolutions by majority of votes of a quorum of 4 members. If the number of members of the Board is even the President has the casting vote. The members of the Board of Directors which have a direct or indirect conflict of interest with respect to a resolution being taken shall abstain from voting.
- (iii) The Board of Directors meets once a month or more frequently if requested by at least 1/2 of its members. It shall be convened by the President at least 14 (fourteen) days in advance. The invitation shall include the place, date and time of the meeting as well as its items of agenda.
- (iv) The discussions and resolutions of the Board of Directors shall be recorded in the book of minutes of the Board of Directors. The Board of Directors may adopt valid decisions in writing in absence of a meeting provided that the resolution is signed from all members of the Board.
- (v) The Board of Directors may invite specialists in the meetings of the Board of Directors.
- (vi) For specific services the Board may decide to compensate a member of the Board.
- (vii) The Board of Directors will ensure that the expenses of the Association are kept to the minimum. Normal Bank transactions on behalf of the Association shall be performed by the Executive Director.

Article 18

The President

- i. The President shall be elected by the General Meeting by voting for all runners for the Board, who shall all be considered as runners. However, a Candidate for Board member may decide not to run for the position of the President and shall inform the Secretary to exclude that member from the list of runners.
- ii. The President is the legal representative of the Association and represents the Association towards third parties. In case of his/her absence, he/she can be substituted by the Vice President.
- iii. If the term of the President expires, or he/she resigns or is dismissed for reasons provided in these Articles, the General Meeting shall vote not only for the members of the Board that are subject to rotation, but also for the position of the President.

Article 19

Executive Director

- (i) The Board of Directors appoints an Executive Director who is entrusted with the daily management of the Association and defines his/her powers and duties. The Executive Director is hired through a recruitment process and is interviewed by the Board which makes the final decision on recruitment.
- (ii) The Executive Director has the following powers and duties :
 - (a) the completion of programs decided by the General Meeting;
 - (b) Prepares all the required documentation for the meetings of Board of Directors;
 - (c) Prepares all the required documentation for the General Meetings;
 - (d) Prepares the notification of the meetings of the Board of Directors and the General Meeting.
- (iii) As a rule, the Executive Director participates in the meetings of the General Meeting and of the Board of Directors and reports on any activity of the Board and of the Association.
- (iv) The Executive Director can have the Employment Agreement terminated by the Board's resolution.

Article 20

Auditor

- (i) An Auditor is appointed by the Board of Directors following a competitive process.
- (ii) The Auditor shall audit the accounts of the Association and presents the report to the Annual General Meeting.
- (iii) The term of office of the Auditor shall be two years, and may be extended by the Board for another two year term.

Article 21

Secretary

- i. The Secretary of the Association shall be one of the Board members appointed by the Board of Directors upon his/her will. The mandate of the Secretary terminates automatically with the Board Membership termination.
- ii. The Secretary shall act as keeper of minutes at the General Meeting and once approved by the President of the Board they are distributed without delay to all members.
- iii. The Secretary also keeps the minutes of the Board of Directors and prepares and distributes the agenda and notifications of the Board and Assembly meetings.

Article 22

Treasurer

- i. The Treasurer is elected by the Board of Directors amongst its members. The Treasurer is entitled to:
 - a. Monitor the accounts of the Association and supervises transactions executed by the Executive Director;
 - b. Approve bank transactions in the required cases as defined by Board Resolutions;
 - c. Prepare resolutions on financial issues to be passed by the Board of Directors;
 - d. Monitor the account(s), carrying for the accounting documents in cooperation with the Auditor.

Article 23

Dissolution of the Association

- (i) The Association shall be dissolved:
 - a) With a decision of the General Meeting;
 - b) When its members reach a number under the minimum provided in the law “On non- for-profit organizations”.
 - c) By virtue of a final court decision;
 - d) In other cases provided by the law.
- (ii) Upon a decision for dissolution pursuant to Article 30.1, the Association ceases its activity and is submitted to liquidation procedures according to the law.
- (iii) Termination and/or liquidation of the Association should follow the procedures as described in Articles 42 to 48 of Law No.8788, dated 07.05.2001, “On non for profit organizations”.

Article 24

- (i) Issues not covered by the present By-laws shall be addressed in conformity with the provisions of the Albanian Civil Code, Law No. 8788, date 7.5.2001 “On non-profit organizations”, as amended, and Law No. 8789, date 7.5.2001 “On registration of on-profit organizations”.
- (ii) In case of conflict arising out the present By-laws, should the concerned parties fail to reach an amicable solution, the case shall be submitted to the competent Albanian Courts.
- (iii) An invalid provision of the present By-laws shall not affect the validity of the other provisions. The invalid provision shall be replaced with a valid one pursuant to the laws in force.