

Statutes of the Association
Initiative to Combat Cybercrime against Consumers and Small
Investors in Europe
/EFRI Initiative

§ 1 Name, registered office and field of activity

- (1) The name of the Association is "Initiative to Combat Cybercrime against Consumers and Small Investors in Europe (EFRI European Funds Recovery Initiative), hereinafter referred to as 'Association.'
- (2) The Association has its headquarters in Vienna and extends its activities to worldwide. The financial year corresponds to the calendar year.
- (3) The establishment of branch associations is not intended.

§ 2 Purpose

The purpose of the Association, whose activities are not for profit, is to promote and support national and international projects and various initiatives to combat cybercrime and to promote cybersecurity in the user segment of consumers and small investors.

With increasing digitalisation and the resulting global cyber society, the extent of cybercrime is also increasing massively. The activities of many initiatives to increase cybersecurity focus primarily on the technical and organisational aspects of companies. The EFRI European Funds Recovery Initiative, on the other hand, concentrates on protecting consumers from online fraudsters through technical, organisational, communicative and legal measures. The protection of consumers and small investors is the basis for the development of a sustainable cyber society.

The activities of the Association focus on the following areas, among others:

- Preventive education/information/training on the dangers of cybercrime for consumers;
- Coordination and contact point for authorities, non-government organisations and private initiatives for data exchange and warnings regarding scams and investment fraud;
- Public early warning system against scammers and investment fraud in cooperation with media partners and operators of social media;
- Development of a cybercrime database for statistical analysis;
- Ombudsman and contact point for victims of cybercrime and scams;
- Support for victims in recovering their losses.

The activities of the Association are not profit-oriented, and the Association pursues exclusively and directly non-profit purposes according to its Statutes and is therefore a non-profit association in compliance with the applicable tax regulations (§34- 47 of the BAO).

§ 3 Means to achieve the purpose of the Association

(1) The purpose of the Association shall be achieved by the ideal and material means listed in points 2 and 3:

(2) The following shall serve as ideal means

- Events
- Public relations
- Issuing of publications
- Information activity

(3) The necessary material resources shall be raised by

- Donations
- Membership contributions
- Sponsors
- Other financial contributions

§ 4 Types of membership

(1) The members of the Association are divided into **ordinary**, **extraordinary** and **honorary** members.

(2) **Ordinary** members are those who participate fully in the work of the Association. **Extraordinary** members are those who support the activities of the Association primarily by paying a membership fee. **Honorary** members are persons who are appointed for special services to the Association.

§ 5 Acquisition of membership

(1) Natural persons as well as legal entities and partnerships with legal capacity may become members of the Association.

(2) The Executive Board decides on the admission of ordinary and extraordinary members. Admission can be refused without giving reasons.

(3) Until the Association is formed, the provisional admission of ordinary and extraordinary members is carried out by the Association's founders, or by the Executive Board if one has already been appointed. This membership only becomes effective with the formation of the Association. If an Executive Board is appointed only after the Association has come into being, the (definitive) admission of ordinary and extraordinary members will also be carried out by the founders of the Association until then.

(4) The appointment of honorary members is carried out by the General Assembly at the request of the Executive Board.

§ 6 Termination of Membership

(1) Membership expires upon death, and in the case of legal entities and partnerships with legal capacity by loss of legal entity status, by voluntary resignation and by exclusion.

(2) Resignation can be effected at any time. It must be declared in writing to the Executive Board at least one month before it becomes effective. The date of posting is decisive for the timeliness of the resignation.

(3) The Executive Board may expel a member if he/she is more than six months in arrears with the payment of membership fees despite two written

reminders with an appropriate grace period. The obligation to pay the membership fees that have become due remains unaffected by this.

(4) The exclusion of a member from the Association can also be ordered by the Executive Board due to gross violation of other membership obligations and due to dishonourable conduct.

(5) The withdrawal of honorary membership can be decided by the General Assembly on the basis of a motion by the Executive Board for the reasons stated in Paragraph 4.

§ 7 Rights and duties of members

(1) The members are entitled to participate in all events of the Association and to use the facilities of the Association. The right to vote in the General Assembly as well as the right to vote and stand for election is only available to ordinary and honorary members.

(2) Every member is entitled to demand that the Executive Board issue the Statutes.

(3) At least one tenth of the members can demand that the Executive Board convene a general assembly.

(4) At each General Assembly the members are to be informed by the Executive Board about the activities and financial management of the Association. If at least one tenth of the members request this, stating reasons, the Executive Board must provide the members concerned with such information within four weeks.

(5) The members are to be informed by the Executive Board about the audited accounts (rendering of accounts). If this happens in the General Assembly, the Auditors are to be present.

(6) The members are obliged to promote the interests of the Association to the best of their ability and to refrain from everything that could damage the reputation and purpose of the Association. They must observe the Statutes of the Association and the decisions of the Association's organs. Ordinary and extraordinary members are obliged to pay the admission fee and membership fees in the amount decided by the General Assembly on time.

§ 8 Organs of the association

The organs of the Association are the General Assembly (§§ 9 and 10), the Executive Board (§§ 11 to 13), the Non-Executive Board (§ 14) the Auditors (§ 15) and the Court of Arbitration (§ 16). If female persons hold organ functions, they are assigned the respective female function designation.

§ 9 General Assembly

(1) The General Assembly is the "General Assembly of Members" in the sense of the Association Law 2002, with an ordinary General Assembly taking place every five years.

(2) An extraordinary general assembly takes place at

- a) resolution of the Executive Board or the ordinary General Assembly,
- b) upon written request from at least one tenth of the members,
- c) request of the auditors (§ 21 para. 5 first sentence of the Association Act),
- d) resolution of the/Auditor(s) (§ 21 para. 5 second sentence of the Association Act, § 11 para. 2 third sentence of these Statutes), or
- e) resolution of a court-appointed representative (§ 11 para. 2 last sentence of these Statutes) within four weeks.

(3) All members must be invited to both the ordinary and the extraordinary General Assemblies at least two weeks before the date in writing, by fax or by e-mail (to the fax number or e-mail address provided to the Association by the member). The appointment of the General Assembly must be made with an agenda. The summoning is to be made by the Executive Board (§ 9 paragraph 1 and paragraph 2 a - c), by the Auditor(s) (§ 9 paragraph 2 d), or by a court-appointed representative (§ 9 paragraph 2 e).

(4) Motions for the General Assembly must be submitted to the Board in writing, by fax or by e-mail at least three days before the date of the General Assembly.

(5) Valid resolutions - except for those concerning a request to convene an extraordinary General Assembly - can only be passed on the agenda.

(6) All members are entitled to participate in the General Assembly. Only ordinary members are entitled to vote. Each member entitled to vote has one

vote. The transfer of the right to vote to another member entitled to vote by means of a written authorisation is permissible.

(7) The General Assembly is quorate regardless of the number of members present.

(8) Elections and resolutions in the General Assembly are generally carried out by a simple majority of the valid votes cast. Resolutions to change the Statutes of the Association or to dissolve the Association require a qualified majority of two thirds of the valid votes cast.

(9) The Chair of the General Assembly is the Chair, or in case that person is prevented, the deputy. If the deputy is also prevented, the oldest member in years shall chair the meeting.

§ 10 Duties of the General Assembly

The following tasks are reserved for the General Assembly:

- to decide on the budget;
- Acceptance and approval of the statement of accounts and the closing of accounts with the involvement of the Auditors;
- Election and dismissal of the members of the Executive Board and the Auditors;
- Approval of legal transactions between the Auditors and the Association;
- Discharge of the Executive Board;
- Determination of the amount of the admission fee and the membership fees for ordinary and extraordinary members;
- Granting and withdrawing honorary membership;
- Passing resolutions on amendments to the Statutes and the voluntary dissolution of the Association;
- Consultation and passing of resolutions on other items on the agenda.

§ 11 Executive Board

(1) The Executive Board consists of the Chair as well as a Vice Chair, or Vice Chair (in the following only Chair or Vice Chair). The distribution of functions within the Executive Board is the responsibility of the Executive Board, which may issue its own rules of procedure.

(2) The Executive Board is elected by the General Assembly. If an elected member resigns, the Executive Board has the right to co-opt another eligible member in his place, whereby subsequent approval must be obtained at the next General Assembly. If the Executive Board fails at all, or for an unforeseeably long period of time without self-supplementation through co-opting, each Auditor is obliged to immediately call an extraordinary General Assembly for the purpose of electing a new Executive Board. If the Auditors are also unable to act, each ordinary member who recognizes the emergency situation must immediately apply to the competent court for the appointment of a representative, who must immediately call an extraordinary General Assembly.

(3) The term of office of the Executive Board is five years; re-election is possible. Each function in the Executive Board is to be exercised personally.

(4) The Executive Board meeting is convened by the Chair, in case all members attend.

(5) The Executive Board meeting has to pass its resolutions unanimously.

(6) Apart from death and expiry of the term of office (paragraph 3), the function of a member of the Executive Board expires by dismissal (paragraph 9) or resignation (paragraph 10).

(7) The General Assembly can dismiss the entire Board or individual members at any time. The dismissal comes into effect with the appointment of the new Board or Board member.

(8) The members of the Executive Board may resign in writing at any time. The declaration of resignation is to be addressed to the Executive Board, and in case of resignation of the entire Executive Board to the General Assembly.

§ 12 Tasks of the Executive Board

The Executive Board is responsible for the management of the Association. It is the "management body" in the sense of the Austrian Law of Association 2002 and is responsible for all tasks that are not assigned to another body of the Association by the Statutes. The following matters in particular fall within its scope of action:

- Establishment of an accounting system in accordance with the requirements of the Association with continuous recording of income

and expenditure and maintaining a list of assets as a minimum requirement;

- Preparation of the annual budget, the statement of accounts and the closing of accounts;
- Preparation and calling of the General Assembly in the cases of § 9 para. 1 and para. 2 a - c of these Statutes;
- Informing the members of the Association about the Association's activities, the Association's conduct and the audited accounts;
- Management of the assets of the Association;
- Admission and exclusion of ordinary and extraordinary members of the Association;
- Admission and termination of employees of the Association.

§ 13 Special obligations of individual Executive board members

(1) The Chair conducts the current business of the Association.

(2) The Association is represented by the Chair or his deputy. Copies of written documents of the Association require the signatures of two members of the Executive Board to be valid. Legal transactions between members of the Board and the Association require the consent of another member of the Board.

(3) Legal authorizations to represent the Association externally or to sign on its behalf can only be granted by the members of the Board mentioned in paragraph 2.

(4) In the event of imminent danger, the Chair is entitled to issue orders independently and under his own responsibility, even in matters that fall within the scope of the General Assembly or the Executive Board; internally, however, these require subsequent approval by the responsible body of the Association.

(5) The Chair chairs the General Assembly and the Executive Board meetings.

(6) The Chair keeps the minutes of the General Assembly and the Executive Board meetings. He can also appoint a secretary in individual cases.

(7) In case of the prevention of the Chair, his deputy takes his place.

§ 14 Non-Executive Advisory Board

- (1) An non-executive advisory board is set up to support the board in carrying out its work. The advisory board has an advisory function and does not assume any executive agendas.
- (2) The members of the non-executive advisory board are appointed by the board. Advisory board members can resign from their position at any time without giving a reason. The resignation is effective with the information of the relevant advisory board to the board.
- (3) The non-executive advisory board consists of at least 23 representatives of victims from various European countries. This is intended to support the association in being able to work in the individual countries and to incorporate local conditions and customs into its management.
- (4) The non-executive advisory board members elect a chairperson and a deputy chairperson. The order is placed with a simple majority whereby the members can cast their vote by email.
- (5) The membership is managed by the chairperson and a deputy chairperson (board of the advisory board). The distribution of the functions within the advisory board is the responsibility of the board of directors of the advisory board, which also issues its own rules of procedure.
- (6) The board will involve the advisory board in important questions regarding the management of the association and / or the decision on important questions, hear its opinion and let it influence its decisions.

§ 15 Auditors

- (1) Two Auditors are elected by the General Assembly for a period of five years. Re-election is possible. The Auditors may not belong to any body - with the exception of the General Assembly - whose activities are the subject of the audit.
- (2) The Auditors are responsible for the ongoing business control as well as the examination of the financial management of the association with regard to the correctness of the accounts and the use of the funds according to the Statutes. The Executive Board must submit the necessary documents to the Auditors

and provide the necessary information. The Auditors report to the Executive Board about the result of the audit.

(3) Legal transactions between Auditors and the Association require the approval of the General Assembly. In all other respects, the provisions of § 11 (8) to (10) shall apply to the Auditors analogously.

§ 16 Arbitration Court

(1) All disputes arising from the Association relationship shall be settled by the Association's internal arbitration tribunal. It is a "conciliation body" in the sense of the Association Law 2002 and not an arbitration court according to §§ 577 ff ZPO.

(2) The Arbitration Court is composed of three ordinary members of the Association. It is formed in such a way that one party to the dispute informs the Executive Board in writing of the name of a member as arbitrator. Upon request by the Executive Board within seven days, the other party to the dispute shall name a member of the Arbitration Court within 14 days. After notification by the Executive Board within seven days, the appointed arbitrators shall elect a third or-dentate member as Chair of the Arbitration Court within a further 14 days. In the event of a tie, a lot will be drawn from among the nominees. The members of the Arbitration Court may not belong to any body - with the exception of the General Assembly - whose activity is the subject of the dispute.

(3) The Arbitration Court shall make its decision by a simple majority of votes after having granted a hearing to both parties in the presence of all its members. It decides to the best of its knowledge and belief. Its decisions are final within the Association.

§ 17 Voluntary dissolution of the Association

(1) The voluntary dissolution of the Association can only be decided in a General Assembly and only with a two-thirds majority of the valid votes cast.

(2) This General Assembly must also decide on the liquidation - if the Association's assets are available. In particular, it must appoint a liquidator and

decide to whom the remaining assets of the Association after covering the liabilities must be transferred.

(3) In case of dissolution of the Association or in case of discontinuation of the previous beneficiary purpose of the Association, the remaining assets of the Association will be transferred to the association "SOS Kinderdorf" for use for charitable purposes as defined in § 34 BAO (especially for purposes of child care). If this association no longer exists upon dissolution, the remaining assets shall be used for child welfare purposes.