

**ARTICLES OF ASSOCIATION**  
**OF**  
**THE NON-PROFIT ORGANISATION**  
**VANA-TORI HOBUSE ÜHING (THE OLD-TORI HORSE SOCIETY)**

**1. GENERAL PROVISIONS AND PURPOSES**

**1.1. The non-profit organisation shall be named Vana-Tori Hobuse Ühing (the Old-Tori Horse Society), and is hereafter referred to as the “society”.**

**1.2. The office of the society shall be located at Puka commune, Valga county Estonia.**

**1.3. The society shall be a legal entity governed by private law that in its activities adheres to the Estonian laws, other legislation and these Articles of association (hereafter referred to as “The Articles”).**

**1.4. The purposes of the society shall be:**

- 1.4.1. to ensure the preservation of the purebred warmblood Old-Tori horse breed and its gene pool;
- 1.4.2. to advance the knowledge and valuation of the Old-Tori breed; and in order to accomplish this purpose authorise preservation breeding program;
- 1.4.3. to keep the stud book and issue pedigree certificates;
- 1.4.4. to conduct performance testing;
- 1.4.5. to evaluate the horses and recognise them for breeding;
- 1.4.6. to organise artificial insemination;
- 1.4.7. to represent its members in Estonian political, economical and cultural forums;
- 1.4.8. to inform the public about the value and importance of the Old-Tori horse;
- 1.4.9. to educate the public about the meaning and value of the Old-Tori horse;
- 1.4.10. to observe the situation and conditions of Old-Tori horses;
- 1.4.11. to influence governmental and local governmental authorities, undertakings and people to make steps to improve the situation if needed;
- 1.4.12. to stand out for pure breeding of Old-Tori horse by organising activities, and through breeders' associations as regulated by the Animal Breeding Act (tõuaretusseadus);
- 1.4.13. to organise action rescues, protection and scientific research, and apply for resources from Estonian and foreign funds, sponsors and other interested parties in order to do so;
- 1.4.14. to organise seminars and other events to propagate the Old-Tori breed and educate people on this subject;
- 1.4.15. to organise educational events and training days in furtherance of the society's purposes.

**1.5. To achieve foregoing purposes the society has the right:**

- 1.5.1. to have civil rights and obligations, except those inherent in humans only;
- 1.5.2. to acquire civil rights, assume civil obligations, and alter or terminate them;
- 1.5.3. to perform transactions and other legal acts in Estonia and foreign states, including establishing associations, open representations, form departments and other sub- and structural units;
- 1.5.4. to apply for and divide grants for breeders of the Old-Tori horses;

1.5.5. to apply to the European Union for recognising the Old-Tori horse as an old culture breed and to support its protection and preservation.

## **2. MEMBERSHIP**

### **2.1. Members**

2.1.1. Members can be founder members, regular members or associate members.

2.1.2. All legally competent persons and corporate bodies can be members of the society.

### **2.2. Founder members**

2.2.1. Founder members shall be named in the Memorandum of Association.

### **2.3. Regular members**

2.3.1. Regular member may be any legal or natural person, who approves the Articles, adhere to it and pays membership fees.

2.3.2. Regular members shall possess voting rights at General meetings. Regular members shall possess all the rights and obligations of membership once they have paid the full amount of membership fees in a timely manner. By agreement or if only part of the membership fees have been paid, a member's rights may be restricted by the resolution of the Board.

### **2.4. Associate members**

2.4.1. An Associate member may be any legal and natural person with active legal capacity, who is interested in cooperation with the society, agrees to the society's purposes and functions, and supports the efforts of the society materially or in actions.

2.4.2. Associate members shall not possess voting rights nor the obligation to pay the full amount of the membership fees. Other rights and obligations of regular members shall extend to associate members as stated by the Board.

### **2.5. Acceptance of members, termination of membership, rights and obligations of members**

2.5.1. Acceptance of a member shall be decided by the Board. Any person wishing to become a member must apply for membership by submitting an application to the Board. In their application, a person must declare that he or she has examined the Articles and will undertake to adhere to them.

2.5.2. A person shall acquire the rights and obligations of a member after the Board has made the resolution.

2.5.3. A member may be excluded from membership by resolution of the Board, if the member:

2.5.3.1. has not paid the prescribed annual membership fee within three months of the due date.

2.5.3.2. does not comply with the provisions of the Articles;

2.5.3.3. acts in conflict with the purposes of the Society;

2.5.3.4. has repeatedly ignored the Board's resolutions;

2.5.4. A person shall be terminated from the Society on the following day after the resolution about the termination has been made. No joining or membership fees shall be returned if

membership is terminated.

2.5.5. Members of the Society have the following rights:

2.5.5.1. to elect bodies of the Society and be elected to them;

2.5.5.2. to take part in the general meetings and acquire information there about the actions of the management bodies of the Society as well as statements and transcripts of resolutions of the general meetings;

2.5.5.3. to make proposals to the Board regarding the actions of the Society;

2.5.5.4. to be protected and represented by the Society in the prescribed manner of these Articles, and to acquire other benefits prescribed by these Articles or by the resolutions of the Board;

2.5.5.5. to get services provided by the Society on discount rates; list of the services and prices shall be stated by the Board;

2.5.6. Cessation of Membership

2.5.6.1. to resign from the Society, written notice shall be presented one month beforehand.

2.5.6.2. Membership shall be terminated in case of the death of a natural person or the liquidation of a member corporate body.

2.5.7. Members of the society undertake:

2.5.7.1. to comply with these Articles;

2.5.7.2. to comply with the decisions of the general meeting and the Board;

2.5.7.3. to pay membership fees for a term and in a amount as stipulated;

2.5.7.4. not to misuse the rights attaching to the membership;

2.5.7.5. to refrain from any kind of activity that may damage the reputation of the Society;

2.5.7.6. not to release any information acquired within the Society to third parties without the written permission of the Board (except when it comes otherwise from the nature of the information or the purpose of its publishing); not release any information that is declared confidential and not public by the Board's resolution;

2.5.7.7. not to release any information about the activities of the Society that may jeopardise or distort realising purposes of the Society;

2.5.7.8. not to use any information acquired within the society for its own interest unless otherwise agreed by the Board;

2.5.7.9. to give true information about him-/her-/itself.

2.5.8. If a member does not comply with previous obligations it may lead to prejudice of rights or terminating of the membership by the Board's resolution.

### **3. MANAGEMENT**

#### **3.1. Organisational structure**

3.1.1. Management bodies of the Society shall be the general meetings and the Board.

3.1.2. Other bodies of the Society shall consist of an Audit Committee, a Preservation Breeding Committee, and Inspection Boards.

3.1.3. Members of the Board shall represent the society in all legal acts.

#### **3.2. General Meetings**

3.2.1. The general meeting of the members shall be the supreme body of power.

3.2.2. Following points pertain to the exclusive competence of the general meeting:

- 3.2.2.1. amendment of the Articles;
  - 3.2.2.2. amendment of the purpose of the Society;
  - 3.2.2.3. approving the annual report
  - 3.2.2.4. liquidation of the Society, appointing the liquidators and their pay;
  - 3.2.2.5. merger, division and re-organisation of the Society in cases provided by law;
  - 3.2.2.6. deciding other questions that are given to the jurisdiction of the general meeting by law or these Articles.
- 3.2.3. The general meeting of the members shall be the supreme body of power. Ordinary meetings shall be held once a year after the end of the fiscal year. Invitations to the meeting, including agenda and all written documents shall be sent to all the members at the latest two weeks prior to the meeting.
- 3.2.3.1. Following points shall be in jurisdiction of the general meeting:
- a) amendment of the Articles;
  - b) passing of the preservation breeding program and the rules for the stud book;
  - c) election of the Board members and Chairman;
  - d) deliberation and approving the Board report;
  - e) approving the internal audit report;
  - f) levying the amounts of the joining and membership fee;
  - g) liquidation of the Society.

### **3.3. Special General Meetings**

- 3.3.1. A Special General Meeting shall be held in the cases and pursuant to procedure provided by law.
- 3.3.2. The Board shall call a Special General Meeting if at least 20% of members require it in written form demonstrating the reason for the general meeting.
- 3.3.3. The general meeting has a quorum if more than 20% of financial members participate. A member can represent three other members by authorisations; they shall be regarded as present.
- 3.3.4. A resolution of the general meeting shall be passed if more than half of the members present, or their representatives, vote in favour. If the votes are equally divided, the decision shall be made by drawing lots.
- 3.3.5. For amendment of the purpose of the Society and amendment of the Articles as stipulated in the Articles consent of more than 2/3 of the members shall be required. For amendment of the purposes, consent of at least 9/10 of the members shall be required.
- 3.3.6. Passed resolutions and voting results shall be recorded in minutes. If the resolutions were not unanimous, all proposals for all points and their voting results shall be recorded in the minutes. Minutes shall be signed by the Chair of the meeting and the recorder.

### **3.4. The Board**

- 3.4.1. The general meeting shall name the Board for 3 years.
- 3.4.2. The Board shall consist of 1–9 members.

### **3.5. Duties of the Board:**

- 3.5.1. management and organisation of the activities of the Society, representing the Society;
- 3.5.2. development, amendment and execution of a preservation breeding program;
- 3.5.3. preparation and execution of an events schedule and the Board's work schedule;
- 3.5.4. preparation of management and financial reports, and presentation of these to the general meeting;

- 3.5.5. approving the budget, and imposition of the fare chart for priced services;
- 3.5.6. organising the accountancy;
- 3.5.7. organising the issuing of pedigree certificates;
- 3.5.8. designation of the Breeding Committee and the Inspection Board;
- 3.5.9. decisions on incidental expenses.

In case of need and possibility, the Board may employ paid executive service. The Chairman or a person, authorised by the Board meeting on every single case, may take decisions or represent the Society.

## **4. COMMITTEES**

### **4.1. Inspection Boards**

The Board of the society shall establish one or more inspection boards as per need. Members of every board shall elect a Chairman of the Board within themselves.

### **4.2. Preservation Breeding Committee**

The Board of the Society shall establish a Preservation Committee as an advisory body to discuss preservation breeding issues.

### **4.3. Audit committee**

An Audit Committee shall be elected by the general meeting. The duty of the committee is to check all complaints about the work of other management organs, and to audit accounting and cash accounting once a year at the latest two weeks prior to the general meeting.

## **5. ASSETS**

5.1. Assets of the Society shall consist of:

- 5.1.1. joining and membership fees and service fees;
- 5.1.2. appropriations from Estonian government;
- 5.1.3. donations;
- 5.1.4. other proceeds.

5.2. The Society shall hold and use its assets according to the provisions of the Articles. The assets shall be used only to achieve the purposes of the Society. Proceeds and assets shall not be distributed to the members of the Society.

5.3. In order to execute its purposes the Society shall have a right to issue contracts and use its resources according to the budget approved by the Board.

## **6. LIQUIDATION OF THE SOCIETY**

Liquidation of the Society shall be decided by a general meeting with more than 2/3 majority. Liquidators shall be members of the Board unless the general meeting decides contrary. Liquidation shall be effected pursuant to procedure prescribed by the Non-profit Organisations Act (mittetulundusühingute seadus). In case of liquidation the assets shall be transferred to another non-profit organisation or organisations with similar purpose according to the resolution of the general meeting.