

INTERNATIONAL ROMA UNION - IRU

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Roma Investment Fund (RIF)

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Preamble:

In these challenging times, we must prioritize efforts to advance the interests of marginalized communities and improve their quality of life. As an organization, the International Roma Union (IRU) is committed to this mission. One of our major initiatives is the launch of the International Roma Investment Accelerator (IRIA), a program that seeks to transform the lives of Roma people in a historic way.

At the core of this initiative is our belief that the Roma people require transformative change to improve their socio-economic position. The European Union has recognized the stark socio-economic disadvantage experienced by the Roma population and pledged to address this issue. We view the EU as a crucial partner with the institutional capacity to deliver transformative change in partnership with the IRU. The EU has shown its ability to advance social rights in areas such as women's rights, workers' rights, and part-time workers' rights. This partnership is invaluable, particularly given that Europe is home to the largest concentration of the global Roma population.

We begin this initiative with a deep appreciation of the Roma people's attachment to the ideal of self-sufficiency. We believe that this ideal can be harnessed through the "investment accelerator" concept to transform the lives of the Roma population worldwide, especially in the EU. The investment accelerator is rooted in identifying the strengths of the Roma community and leveraging them to achieve strategic outcomes. Our goal is nothing less than an "economic take-off" for the Roma people.

The International Roma Investment Accelerator, IRIA, is a major program concept that leverages investment instruments to accelerate the economic development of the Roma people worldwide. This program will support the acceleration of 50,000 existing and new businesses to achieve an economic lift-off breakthrough. The EU will be a key partner in this program, with significant inputs and involvement.

The private sector has a wealth of experience in utilizing different investment instruments, including in the stock market. Additionally, we view the education sector as a partner in the knowledge development of the Roma population in the business sector, working with different institutions and partners, including the EU educational programs and the higher education sector in the EU.

The coverage of the program is broad-ranging, encompassing traditional Roma self-sufficient economic activities such as culture and entertainment, sports, social enterprise, etc., which will be given a cutting-edge development, as well as innovative business ventures in modern economic activities such as new technology and green economics.

We believe that the International Roma Investment Accelerator program will be transformative, creating opportunities for the Roma people to take control of their economic destiny and chart a brighter future. We are committed to this initiative and look forward to working with the EU and other partners to make it a reality.

The functioning of International Roma Investment Accelerator has the following goals:

The ten Project Goals:

1. Create awareness of the entrepreneurship potential in the Roma community.
2. Establishment of an investment fund with partners.
3. Encouraging Roma entrepreneurship by accelerating the start-up scene
4. Education (creating and managing a start up business, models of business development, mentoring, accreditation))
5. Financial support for the development of innovative start-up businesses
6. Advanced spin-off and P&P project
7. Educating small business owners to increase resilience and innovation in order to develop their own strategy
8. Developing large-scale marketing and distribution networks for International Roma businesses
9. Developing vision of major businesses through business growth strategies.

With respect

Zoran Dimov

President of the IRU

Article 1 - Roma Investment Fund (RIF)

A Roma Investment Fund (RIF) is being established taking into consideration, the following

1. The potential socio-economic of boosting entrepreneurship in the Roma community facilitating their integration into society;
2. The goals and tasks of the International Romani Union (IRU) to act on behalf of the Roma people in solving the challenges and needs of their existing small and medium-sized businesses and boost their participation in the economic life in society;
3. The need to support for new ideas for small and medium-sized businesses that ensure the development of the Roma community at the local level; and,
4. The need for financial support as a fund from which loans will be granted to existing businesses or loans will be given for the realization of new business ideas on the initiative of the members of the RIF.

Article 2 – What is RIF?

The structure and governance of the **Roma Investment Fund (RIF)** are designed to ensure financial autonomy and responsible management. The RIF is organized as a microfinance and general business investment fund, which means that it can provide financing to both existing and new businesses. The RIF is a separate property, with unit owners who have the right to a proportionate share of the fund's profits. These unit owners include Roma nominated representatives, institutional partners, banks, and individual investors.

One important aspect of the RIF's governance is the use of codes of conduct issued by the World Bank and the European Union. These codes of conduct provide guidance on responsible financial management and ensure that the RIF operates in a transparent and accountable manner. Additionally, the RIF allows unit owners to withdraw their investment with adequate notice of six months, which provides flexibility and allows investors to manage their financial resources effectively. Overall, the structure and governance of the RIF are designed to promote responsible investment and financial management, and to support the economic development of the Roma community.

Article 3 - Sectors

The RIF comprises two sections: GUARANTEE PART and INVESTMENT PART.

1. A GUARANTEE PART is financed by investors as a guarantee for the Fund, That GUARANTEE PART will serve (through the annual interest received) to provide support for the financing of the secretariat and the functioning of the RIF itself; and,
2. An INVESTMENT PART which will be dedicated entirely to providing loans (loans with low-interest rates) for existing businesses and business ideas managed by RIF secretariat on advice from the Board.

Article 4 – Mission

The mission of the RIF is to improve Roma's living standard by supporting existing businesses and new business ideas managed by Roma people through:

- Development of Roma network business (business incubators)
- Development and implementation of practices that would result in start-up businesses (micro and macro businesses)
- Connecting applicants with professional consultants. (preparation of a business plan)
- Facilitating the launch of new businesses
- Enabling scaling-up of businesses with growth potential

Article 5 – Tasks and activities

The tasks and activities of the RIF will consist:

Tasks:

To generate funds (cash) from international and national organizations, individual donors, businessmen, and individuals with which loans (loans with low-interest rates) will be granted:

1. Contribute to improving the socio-economic situation in the Roma community and will accelerate the integration process of the Roma in society.
2. Develop the existing small and medium-sized businesses among Roma people.
3. Support new ideas for small and medium-sized businesses that will ensure the development of the Roma community at the local level.

Activities:

The Fund's activities are based on sound banking and commercial principles and practices that are currently applicable, respecting the Mission, goals, and tasks of the RIF.

1. Management of the financial assets that will be generated in the RIF.
2. Allocation (lending) based on an application of financial resources for existing businesses or new business ideas managed by Roma people through an established criteria that are reviewed every 4 (four) years with the adoption of the RIF by the Assembly of the same.
3. Collection of the allocated (borrowed) financial funds by the users.

In addition, the RIF may also engage in other activities related to or arising from the tasks specified in this article.

Article 6

The Fund will be based in the city of Brussels, Belgium.

Article 7

The founders of the RIF are the global partners. They will be permanent Governing Board members of the Fund, alongside other founding institutions.

Article 8

The RIF is advised and managed by:

1. Council of Investors (all those who have invested their funds in the RIF);
2. Governing Board – (Investors who finance the GUARANTEE PART with a minimum of 500,000 EUR) and a minimum of 300,000 EUR in the loan fund (lending with low interest).
3. Secretariat - Employed head and other technical staff for administration of the management needs of the RIF;

Article 9 - Investor Advice

The Council of Investors consists of all investors who have invested in the RIF in an amount of at least EUR 1000 and will meet at least once a year.

Its powers are to give guidance in the following areas:

- a. Participation in the preparation, implementation, and adoption of the Strategy of the RIF;
- b. Participation in the preparation, implementation, and adoption of the Annual Program of the RIF;
- c. Debates and adoption of the financial plan and the annual report of the RIF;
- d. Approval of the audited financial report of the RIF;
- e. Formation of a selection committee and proposes a ranking list for the selection of the head of the RIF;
- f. Promotion of the RIF;

Article 10

Governing Board

The Governing Board consists of all investors who have invested in the International Roma Investment Accelerator Fund in the amount of at least EUR 500,000 in the GUARANTEE FUND and EUR 300,000 in the LOAN FUND;;

It meets at least 4 times a year.

Its powers are strategic direction and decisions in the following areas:

- a. Participation in the preparation, implementation, and adoption of the Strategy of the RIF;
- b. Participation in the preparation, implementation, and adoption of the Annual Program of the RIF;
- c. Debates and adoption the financial plan and the annual report of the RIF;

- d. Approval of the audited financial report of the RIF;
- e. It will select the Managing Director of the RIF;
- f. Appoints a President to represent the RIF;
- g. It opens calls for granting loans (loans with low-interest rates) and decides on them based on the recommendations of the Managing Director.

Article 11 - Secretariat

The Secretariat is composed of:

MANAGING DIRECTOR of the RIF as Head of its Secretariat;

Manages the overall administrative capacity of the RIF;

Hires employees to ensure optimal implementation of processes;

Responsible for the preparation of the narrative and financial reports of RIF;

In everyday communication, the Managing Director represents RIF; and,

The Managing Director is accountable for his work to the Governing Board with the right of the Council of Investors to provide guidance to the Board.

OTHER TECHNICAL PERSONNEL for administering the management needs of the RIF ensures that the activities foreseen by the work process are carried out optimally. They are responsible for their work to the Managing Director and the Governing Board of the RIF.

Article 12 - Funds

The funds are collected through the sale of shares in the Fund, and the Company will invest them by the provisions of the Law, the **Prospectus**, and the Statute of the Fund. The fund is owned by the unit holders. Owners of units are entitled to a proportionate share of the profit of the Fund, as well as to request payment of the share at any time and thus withdraw from the fund.

If establish in Belgium, you have the SA or SRL (in French) -second one is more dedicated to SMEs or Individuals- We recommend the SA but ask may be your lawyer.

Article 13 – Investors

Domestic and/or foreign, physical, and/or legal persons may apply as investors in the Fund.

The investment objective of the Fund is to ameliorate the life conditions of the Roma community, to achieve long-term growth of in the value of the Fund, and a high level of security in the investment. For the realization of the investment goal, the RIF will gran credits and loans to businesses managed by Roma and new projects that plan to improve the situation of Roma.

Article 14

A large part of the Fund's assets will be invested in deposits of authorized banks of the Republic of North Macedonia, as well as a small part will be invested in debt securities of issuers whose headquarters, that is, the predominant activity is carried out in the territory of the following countries: the Republic of North Macedonia and member countries of the EU, OECD, and CEFTA.

The Fund will invest the Fund's assets in the following types of financial instruments:

1. Deposits with authorized banks (maturity shorter than one year, up to 20% of the Fund's assets can be in one bank);
2. Long-term debt securities;
3. Short-term debt securities;
4. Shares in low-risk open-ended investment funds and Cash on the account.

Investments in debt securities issued by the Republic of North Macedonia, member states of the European Union, and OECD may exceed 35% of the Fund's assets. Investments of the Fund's assets will be by the provisions of Articles 66 and 67 of the Law, as well as the provisions of the Rulebook on permitted investments, limitations on investments, and exceeding the limitations on investment of the open fund's assets (Official Gazette of the Republic of Moldova No. 153 /2009) from the Commission, which is relevant to the planned structure of the Fund's portfolio.

Article 15 – The investment policy

The investment policy, according to which the Fund's portfolio is built, contains a low level of risk, which is characteristic of money funds.

To create a realistic picture of this type of investment and make a reasonable decision to purchase shares from the Fund, potential investors are obliged to take into account the universal investment rule according to which the expected return on the invested funds is appropriate to the risk taken with that investment, that is, the higher the expected return on the invested funds, the higher the risk that is taken, as well as the investment GUARANTEE PART that serves (through the annual interest received), to provide support for the financing of the secretariat and the functioning of the RIF itself and an INVESTMENT PART which will be dedicated entirely to providing loans (loans with low-interest rates) for existing businesses and ideas for businesses managed by Roma. The GUARANTEE PART will have a maturity of at least 6 years and the investment part will have a maturity at sight.

Article 16

RISKS

The types of risks that directly or indirectly depend on the operation of the Fund and its results are the following:

- Market risk;
- Interest rate risk;
- Credit risk;
- Liquidity risk;
- Risk of changes in tax regulations and,
- Political risk.

Article 17

The minimum investment amount in the Fund is EUR 1,000.00.

Article 18

By filling in the Accession Form, any legal or natural person can access the Fund, and by paying funds to the Fund's giro account, for remittance, purchase of shares from the Fund, and calling the registration number of the Accession Form, to acquire shares from the RIF fund. The application form is filled out on a special form prepared by the Company. (see sample pg.)

Article 19

When submitting an Access Form, a party - a natural person is identified with a valid personal identification document (identity card or passport). When submitting an Accession Form, a party - a legal entity, should submit a reliable document by the legal regulations, such as the current state of registration or another document from a competent authority and an identity card from the legal representative of the legal entity.

If the party, a natural or legal person, is represented by a proxy during the submission of the Power of Attorney, a notarized power of attorney should also be attached to the Power of Attorney, which should contain an express authorization to purchase shares.

In certain specific cases (when the party is a minor or a person whose business capacity is partially or completely limited), the Petitioner submits the legal representative (parent, guardian, adoptive parent) of the minor or the person whose business capacity is partially or fully limited.

Article 20

Personal data is collected, processed, and used by the RIF. This personal data is subject to international laws of privacy protection and GDPR standards.

Article 21

The purchase of shares is carried out exclusively by payment of funds, whereby the buyer of shares establishes a contractual relationship with the RIF, which undertakes to manage the paid funds as part of the common property by the conditions specified in the Prospectus. Payment means the actual inflow of funds to the giro account of the Fund.

Article 22

The full name of the Roma Investment Fund - Brussels. The abbreviated official name of the company reads: RIF(B)

Article 23

The basic capital of the Fund amounts to 1,000,000.00 Euros.

Article 24

The RIF has a single object of operation - the establishment and management of open investment funds, that is, investing money in its name and at the expense of the owners of shares in the open investment funds, it manages. This activity includes:

- a) property management of investment funds;
- b) advertising of investment funds and sale of shares in open investment funds;
- c) administrative matters relating to:
 - keeping business books and accounts and preparing financial reports;
 - establishing and maintaining relations with investors;
 - currency risk; determination of the value of the property of the investment fund and calculation of the share price;
 - alignment of the Company's operations with laws and other regulations;
 - publication and notification of shareowners;
 - distribution of the profit of the investment fund;
 - issuance and redemption of shares in open investment funds and
 - keeping a register of shareowners.

RIF has a license to perform asset management work for the account of an individual client - portfolio owner, as well as work on investment counselling for clients.

Article 25

The Roma Investment Fund is obliged to manage the Fund with the attention of a good business practice, to adhere to the principles of conscientiousness and honesty, and to promptly and completely fulfil all the rights and obligations stipulated by the Law, the Prospectus, and the Statute of the Fund.

During the performance of operations, the company will comply with all legal restrictions, prohibited actions, and conflicts of interest, all to realize the interests of the owners of shares in the Fund.

The RIF will own 51% of the fund's shares. Other investors and unit holders cannot own more than 49% of the fund's units and capital.

Also, in the future, the expansion of the activities is planned through the opening of new companies for the management of investment funds in other countries as well. The future profits that will be generated from the operation of the RIF will be used to finance such activities.

Article 26

Roma Investment Fund is responsible for performing the activity of managing the Fund by the legal and by-law regulations, the Statute, and the Prospectus of the Fund.

The RIF is responsible for the damage caused to the owners of shares in the Fund for acting contrary to the provisions of the Law, the by-laws, the Statute, and the Prospectus of the Fund. The RIF is responsible for legal matters concluded in its name and on behalf of the owners of shares in the Fund, with concomitant liability in law.

Article 27 - Remaining Provisions

For everything that is not regulated by this Statute, the provisions of the Law on Investment Funds and other legal and by-law regulations will be applied.

Article 28

This Statute enters into force from the day of adoption and is applied from the day of receiving the approval of the Decision on Amendments and Supplements to the Statute by the Securities Commission.

Application for joining the Roma Investment Fund -RIF

Name and Surname:

Address:

Telephone number: _____

Website: _____

E- mail: _____

Roma Investment Fund is a legal entity with financial autonomy. The fund is organized as an open investment fund that represents a separate property, whose unit owners have the right to a proportionate part of the fund's profit and at any time they have the right to request the payment of the units, which will withdraw them from the fund.

Both domestic and foreign, physical and legal persons are eligible to apply as investors in the Fund. The investment objective of the Fund is to increase the value of its property, achieve a constant growth in the value of the share, and ensure a high level of security for the investment. To achieve these goals, the Roma Investment Fund will grant credits and loans to businesses managed by Roma and new ideas that aim to improve the situation of Roma.

The management of the Roma Investment Fund is the responsibility of the Council of Investors, which consists of all those who have invested their own funds in the Fund. The Council of Investors will oversee the Fund's operations, including the granting of credits and loans, and will ensure that the Fund's objectives are met. The Fund will adhere to microfinance and general investment fund codes of conduct issued by the World Bank and the European Union to ensure its compliance with legal and regulatory requirements.

Governing Board – (Investors who financed in the guarantee fund a minimum of 500,000 EUR) and a minimum of 300,000 EUR in the loan fund (lending with low interest).

Secretariat - Employed head and other technical staff for administration of the management needs of the Roma Investment Fund;

Signature: _____

Date: _____

Please email this Application to office@iromaniunion.org