

(ABBREVIATED, UNOFFICIAL VERSION)

## **THE BY-LAWS OF THE FOUNDATION FOR BUSINESS STUDENTS IN AALTO UNIVERSITY SR.**

### 1 § The name and registered office of the foundation

The name of the foundation in Finnish is Aalto-yliopiston kauppätieteiden ylioppilaiden säätiö sr, in Swedish it is Stiftelsen för Aalto-universitetets ekonomistuderande sr, and in English it is Foundation for Business Students in Aalto University sr. Its registered office is Espoo, Finland.

In its activities, the foundation can use the secondary name of KY-säätiö, KY-stiftelsen, or KY Foundation.

## **PURPOSE AND FORMS OF ACTIVITY**

### 2 § The purpose of the foundation

The purpose of the foundation is to further the social, professional and spiritual aspirations as well as those related to studying, the studies, and student life, of those studying at the university called Helsingin kauppakorkeakoulu (Helsinki School of Economics) and/or at a unit under it. It also acts as a link between the students.

In case the Helsinki School of Economics ceases to exist, or changes by whichever way into being a part of another body corporate, then the purpose of the foundation is to further the aspirations of those studying for a degree in economics or according to a program or other study block in economics, in a university that continues the activities of the Helsinki School of Economics or in a body corporate that continues its activities, or in a unit under it.

For the part of furthering the acquisition of lodgings, which is a part of the above mentioned activities, the foundation may also secondarily further the acquisition of lodgings for university students other than the ones mentioned hereinabove in such a way, however, that the primary purpose does not become endangered.

### 3 § Forms of activity

The foundation's forms of activity are:

- To develop, keep up, and support, financially and in other ways, the students' national and international cooperation and the students' participating in exchange programs;

- To support, financially, and in other ways, studying and the preconditions for studying;
- To support, financially and in other ways, the hobby and interest activities arranged by the students, to arrange and support events related to culture and physical exercise and, also, the activities that further the students' health and social well-being;
- To own, develop, acquire, and rent out student apartments;
- To pursue information activities aimed at the focus group;
- To arrange possibilities for the students and businesspeople as well as students and alumni to meet each other;
- To help students start their future careers;
- To increase in our society the valuation of, and knowledge about, those that study economics;
- To financially support the activities of other organizations and foundations that further the purpose of the foundation, and to further the cooperation between various players;
- To provide, free of charge, at a market price, or under the market price, spaces for other organizations, student entities, and foundations that further the purpose of the foundation.
- To distribute grants and scholarships;
- To fulfill its purpose by other legal forms of activity.

The word "student" refers to persons who study for a degree in economics or according to a program or other study block in economics.

As regards the student apartments, the word "student" refers primarily to those who study for a degree in economics or according to a program or other study block in economics. For the part of renting out apartments, the acquisition of lodgings for other university students can secondarily also be supported, if necessary.

#### 4 § The foundation's business activities

The foundation can pursue all types of legal business activities in order to fund its activities.

### **THE FOUNDATION'S PROPERTY**

#### 5 § The foundation's property

The foundation capital is 200,000 euros.

The foundation can receive donations, funds left by will, and increase its property by other means as allowed for by the law or by-laws.

The foundation can own, among other things, real estate, shares, interests, and rights.

## **DECISION-MAKING AND GOVERNANCE**

### **6 § The organs and officials**

The foundation has a supervisory board and a board of directors.

The supervisory board and the board of directors have the right to set up committees and the working groups needed for the foundation's activities.

The foundation can have a managing director and the managing director can have a deputy.

The foundation can have an authorized representative who can act as the financial director. The foundation can also have other officials needed for the activities.

## **THE SUPERVISORY BOARD**

### **7 § The composition, period of office, and method of election of the supervisory board**

The supervisory board of the foundation has a chairman, 21 ordinary members, and 0-42 deputy members. The supervisory board's period of office is two calendar years.

The supervisory board of the foundation is elected by the Aalto University Business Students ry's (hereinafter referred to as "KY association") representative council from among its members and deputy members.

21 members and 0-42 deputy members are appointed for the supervisory board.

The chairman of the representative council of KY association acts as the chairman of the supervisory board, and the first deputy chairman of the KY association acts as the deputy chairman of the supervisory board.

In case the chairman of the representative council of the KY association, or the first deputy chairman, does not accept the assignment in the supervisory board of the foundation, then the representative council of the KY association appoints the chairman, or deputy chairman, of the supervisory board from among the ordinary members of the representative council of the KY association for a period of one calendar year at a time.

In case an ordinary member of the supervisory board resigns in the middle of their period of office, then the first deputy member replaces them as an ordinary member.

In case the electing body has not appointed members to the foundation's supervisory board for the next term of office according to the above procedure and at the latest on the 14th day of the month preceding the term of office, or has not by that time appointed a chairman, or deputy chairman, or if the KY association has been dissolved or discontinued, or does not otherwise exist any longer, then the foundation's supervisory board supplements new members from among itself.

In such a case, a chairman, 21 ordinary members, and 0-42 deputy members are elected for two calendar years at a time.

#### 8 § The eligibility of the members of the supervisory board

A member of the supervisory board must be an ordinary member with voting rights of the KY association.

The chairman and members of the foundation's board of directors as well as the managing director and their deputy are disqualified from being members of the supervisory board.

An employee of the foundation, or of the KY association, or of a company under their authority, is disqualified from being a member of the supervisory board for the duration of their employment.

#### 9 § The duties of the supervisory board

The supervisory board guides the foundation's activities and supervises the foundation's administration.

The supervisory board must

- Confirm the most central principles and guidelines according to which the board of directors must execute the purpose of the foundation and manage its funds; and
- Control that the foundation's assets are used according to these principles and guidelines.

In addition, the supervisory board must

- Confirm the action plan and budget;
- Approve the foundation's financial statements and annual report, and make decisions about the measures that the financial statements possibly lead to;
- Appoint the chairman, deputy chairman, and other members of the supervisory board, and appoint the chairman, deputy chairman and other

members of the board of directors, in case the members are not elected according to the procedure laid down in the by-laws;

- Appoint the auditors and deputy auditors and determine their compensations;
- Determine its own compensations and the compensations of the members of the board, and the basis for the compensations;
- Confirm, after a proposal by the board, the procedures and guidelines concerning the various organs, officials, and the foundation's activities;
- Organize committees and working groups necessary for the supervisory board's activities;
- Confirm the board of director's decision for amendments to the by-laws, for a merger, and for dissolving the foundation.

In case the board of directors has acted against the law, or against these by-laws, the supervisory board can order the board of directors to initiate measures in order to reach a correction, or prohibit the execution of an incorrect decision.

If damage has been caused to the foundation, the supervisory board can order the foundation's board of directors to initiate measures in order to demand a compensation for the damage caused to the foundation from the party that caused the damage.

#### 10 § The meetings of the supervisory board

The supervisory board shall hold a spring meeting by the end of April, an autumn meeting by the end of September, and a winter meeting by the end of December.

The supervisory board shall also hold meetings at other times in case the chairman of the supervisory board deems it necessary, or if at least five members of the supervisory board demand it in writing from the chairman.

A summons to a meeting must be sent to the members of the supervisory board in writing, by e-mail, or by another verifiable manner at the latest five days before the meeting.

At the spring meeting of the supervisory board:

- The financial statements and annual report are presented;
- The audit report is presented;
- A decision of confirming the financial statements, and about the measures it possibly leads to, is made;
- Decisions are made about the other matters that the supervisory board has the power to decide based on these by-laws.

At the autumn meeting of the supervisory board:

- Decisions are made about the instructions to the board of directors concerning the compiling of the next year's plan of action and budget;
- Decisions are made concerning other matters that the supervisory board has the power to decide based on these by-laws.

At the winter meeting of the supervisory board:

- The action plan and budget for the next year are confirmed;
- The auditors for the next year are appointed;
- The allowances for meetings and the other compensations, or the basis for them, are decided for the next calendar year;
- The members of the supervisory board and board of directors are elected, if necessary;
- Decisions are made about the other matters that the supervisory board has powers to decide based on these by-laws.

#### 11 § The supervisory board's decision making

The supervisory board constitutes a quorum when the chairman, or deputy chairman, and at least half of the other members are present.

The opinion, which is supported by more than one half of the members present, is adopted, in case not otherwise ruled in the Foundations Act, or in these by-laws. In the elections held in a meeting, the majority election procedure is followed, except in the cases of a unanimous election of a person. In case only one person from among several candidates must be elected by vote, the candidate to be chosen must have more than one half of the votes of those who participated in the voting. In case none of the candidates has the required majority, a second vote is arranged between the two who had the most votes.

The chairman's vote is decisive in case the votes go even; however, in such a case the voting between persons is decided by drawing lots.

### **THE BOARD OF DIRECTORS**

#### 12 § The board of directors

The board of directors of the foundation comprises 10-12 members.

#### 13 § The procedure for electing the board of directors

The KY association's representative council appoints the chairman of the

foundation's board of directors totaling seven to nine (7-9) other members. The KY association's honorary council appoints one member to the foundation's board of directors. The chairman of the board of the KY association is entitled to a membership of the board of directors by virtue of their office.

Out of the members appointed by the KY association, the chairman and three other members must be ordinary members with voting rights of the KY association ("student member") at the time of the appointment, in case the number of the members of the board is ten all in all, and four other members must be student members at the time of the appointment in case there are 11 or 12 members of the board all in all.

The other members, except the student members and the member entitled by virtue of office, are expert members.

When the KY association's honorary committee elects a member to the foundation's board, the honorary committee's meeting is arranged according to the by-laws of the KY association concerning the honorary committee. In case the KY association's honorary committee has not appointed a member to the foundation's board at the latest by December 1, then the KY association's representative council appoints the member.

In case the members have not been appointed for the foundation's board at the latest on December 14, or if the KY association has been dissolved or discontinued, or it does not exist otherwise, the supervisory board of the foundation shall appoint the members for the next term of office.

#### 14 § The term of office of the board of directors

The term of office of student members is two calendar years. Each year, one half of the members have their turn to resign.

A person can act as a student member of the board at the most for two terms of office.

The term of office of an expert member is three calendar years and, each year, one third of the members have their turn to resign.

A person can act as an expert member of the board at the most for three consecutive terms of office.

The term of office of the member elected by virtue of office is one calendar year.

The chairman of the board is elected for office for one year at a time. The board of directors elects from among its members a deputy chairman for one year at a

time.

#### 15 § Eligibility of the members of the board

In addition to what has been previously stated about eligibility:

An employee, or the managing director, or their deputy, of the foundation, or of the KY association, or of a company under their authority, cannot be a member of the board of directors.

The chairman of the KY association cannot be the chairman of the board.

The expert members must be persons who have been found to be capable and trustworthy in financial matters and financial administration.

#### 16 § The resigning and dismissing of the members of the board

A member of the board can resign in the middle of their term of office. The resignation enters into force when it has been reported to the board of directors, if not otherwise stated in the notice of resignation.

In case a member of the board resigns in the middle of their term, the KY association's representative council can elect another member as a substitute for the remaining period of office.

The source that appointed the member of the board can dismiss a member of the board in the middle of the term of office, and appoint a new member as a substitute for the remaining period of office.

#### 17 § The duties of the board of directors

The board of directors is responsible for the activities of the foundation and exercises the foundation's power of decision in matters that have not been ruled on differently in these by-laws. The board of directors represents the foundation.

The board of directors must exercise special care as it deals with

- The foundation's administration;
- The proper arranging of the activities;
- The executing of the foundation's purpose and
- The proper investing of the funds.

The board of directors can order that a matter belonging to the general authority of the board, or of the managing director, must be decided by the supervisory board.

## 18 § The meetings of the board of directors

The chairman of the board is responsible for the board having a meeting when necessary. A meeting must also be summoned in case at least two members of the board demand it in writing from the chairman of the board.

A summons to a meeting must be sent to the members of the board of directors in writing, by e-mail, or by another verifiable manner at the latest five days before the meeting.

The chairman of the supervisory board has the right to be present and speak at the board of director's meetings, but he/she does not have voting rights when decisions about foundation matters are made.

The board of directors can grant the chairman of the foundation, or their deputy, or an official, or other person, the right to be present at a meeting of the board of directors, and to have the right to speak, but not a right to vote in matters concerning the foundation.

## 19 § The board of director's decision making

The board of directors constitutes a quorum when the chairman, or the deputy chairman, and at least one half of the other members are present.

The opinion, which is supported by more than one half of the members present, is adopted, in case not otherwise ruled in the Foundations Act, or in these by-laws.

The chairman's vote is decisive in case the votes go even; however, in such a case voting between persons is decided by drawing lots.

## **THE OTHER ORGANS AND OFFICIALS**

### 20 § Committees and working groups

The board of directors shall compile the regulations for the work of the foundation's committees and working groups. The supervisory board shall confirm the regulations.

### 21 § Managing director

The foundation's board of directors can appoint a managing director and deputy managing director for the foundation as well as dismiss them.

The duty of the managing director is to see to that the foundation's purpose is achieved, and to manage the other day-to-day administration of the foundation according to the instructions and orders provided by the board

of directors. The managing director is responsible for ensuring that the foundation's bookkeeping is done according to the law, and that the financial administration is arranged in a reliable manner.

The managing director must provide to the board of directors, and to its members, such information that is necessary in order to attend to the duties of the board of directors.

The managing director may undertake such measures that are exceptional or far-reaching, taking into consideration the extent and quality of the foundation's activities, only in case the board of directors has authorized them to do so, or in case there is no time to wait for the board of director's decision without causing a substantial disadvantage to the foundation's activities. In the last-mentioned case, information about the measures taken must be provided to the board of directors as soon as possible.

The managing director has the right to be present at the meetings of the board of directors and the supervisory board, and the right to speak in the meetings, if not otherwise ruled by the board of directors or the supervisory board.

## 22 § Financial director

The board of directors of the foundation can appoint a financial director for the foundation, and dismiss them.

The duty of the financial director is to manage the foundation's finances according to a defined procedure, and according to the instructions and orders provided by the board of directors. The financial director has the right to be present at the meetings of the board of directors and the supervisory board, and the right to speak in the meetings, if not otherwise ruled by the board of directors or the supervisory board.

The financial director must provide to the board of directors, and to its members, such information that is necessary in order to attend to the duties of the board of directors.

The financial director may be referred to by the secondary term authorized representative.

## FINANCIAL MATTERS

### 23 § Financial administration

The purpose of financial administration is to secure the financial preconditions for the uninterrupted continuation of the foundation's

activities.

A sufficient part of the property must be kept in a liquid form in such a way that the foundation is able to carry out its payment liabilities at all times.

#### 24 § Funds

The foundation can have permanent separate funds. The purpose of the separate funds must be in keeping with the purpose of the foundation. The board of directors shall make the decision to set up, or dissolve, a separate fund by a two thirds stipulated majority of the votes cast.

#### 25 § Financial period

The foundation's financial period is one calendar year.

#### 26 § Financial statements and audit

The foundation's board of directors must see to it that the financial statements are compiled with and must provide to the auditors the financial statements, bookkeeping complete with receipts, and all the other documents needed in order to assess the foundation's finances and administration, at the latest one month before the spring meeting of the supervisory board, at which meeting the financial statements are confirmed.

The auditors must provide their audit report to the foundation's board of directors at the latest two weeks before the spring meeting of the supervisory board, at which meeting the financial statements are confirmed.

#### 27 § Auditors and the auditors' term of office

The foundation shall have between one and two (1-2) ordinary auditors elected by the supervisory board, and at the most two (0-2) deputy auditors. The auditors must be authorized by the central chamber of commerce (KHT), or audit companies authorized by the central chamber of commerce (KHT). In case the foundation has only one ordinary auditor that is not an authorized audit company (KHT) then at least one deputy auditor must be elected.

The board of directors can invite an authorized public accountant (KHT), or authorized audit company (KHT), to act as a supervising auditor.

The auditors shall perform the audit for one financial period. Their assignment begins when they are elected, and ends when the supervisory board has confirmed the financial statements.

The total duration of the consecutive terms the foundation's auditors can be seven years at the most. After the above mentioned maximum period of time, an auditor can again take part in the foundation's audit at the earliest four years after the audit assignment ended.

In case an audit company was elected as the auditor, the limited duration of consecutive terms shall not apply to the company, but only to the auditor with the main responsibility.

## **OTHER REGULATIONS**

### 28 § Representation of the foundation

The board of directors represents the foundation.

The board of directors can appoint an official of the foundation, or another person, to represent the foundation. However, such persons must always represent two together.

### 29 § Meeting allowance

A standard meeting allowance can be paid for a member of an organ. A standard compensation can also be paid for other work done for the foundation.

### 30 § The compiling of annual declarations and notifications

The board of directors of the foundation must submit by the end of June to the Finnish Patent and Registration Office copies of the income statement and balance sheet with annexes, and of the balance itemization and the annual report and auditors' report.

A notification must be made without delay to the Finnish Patent and Registration Office about the changing of a member of the board of directors, or of a member of the supervisory board.

### 31 § Amendments to the by-laws

The board of directors shall propose to the supervisory board any amendments to the by-laws. A decision to make such a proposal must be decided at a meeting of the board of directors by a two thirds (2/3) majority of the votes cast.

The supervisory board shall make the decision about amending the by-laws according to the board of director's proposal. The decision must be made by two consecutive meetings with an interval of 14 days, and by a two thirds (2/3) majority of the votes cast at both meetings.

The summons to the meetings must have a mention about amending the by-laws.

### 32 § Dissolving of the foundation

A decision about putting the foundation into liquidation shall be made in the board of directors' meetings by a four fifths (4/5) majority of the votes of all the members of the board of directors.

The decision must be submitted for decision by the supervisory board. In the supervisory board, the decision to put the foundation into liquidation must be made by two consecutive meetings with an interval of 14 days, and by a four fifths (4/5) majority of the votes cast at both meetings.

The summons to the meeting must have a mention about putting the foundation into liquidation.

In case the foundation is dissolved, or discontinued, the foundation's assets shall be handed over to the association called Helsingin kauppakorkeakoulun ylioppilaskunta (Helsinki school of economics' student association) in order to be used for a purpose in accordance with these by-laws.

In case the association called Helsingin kauppakorkeakoulun ylioppilaskunta has ceased to exist, then the remaining assets shall be handed over to an entity that has continued the activities of the said association or to a similar entity chosen by the supervisory board in order to be used to promote the aspirations of the students of economics for the common good according to these by-laws.