

Addendum, September 2018

Following the amendment of the Law, ‘*About associations and foundations and other related issues Law of 2017, L. 104(I)/2017*’—with Law 76(I)/2018, which was published on 9 July 2018, the text of the Guide is amended as follows:

PART A

1. Page 6-7, Point 1.2 and Page 20, Point 2.3: The deadline for compliance is postponed to 30 June 2019 (Articles 55(3) and 57 of the Law)
2. Page 7, Point 1.2: A new article, number 57 has been added, which specifically mentions clubs, whose licences were due to expire on 30 June 2018, and postpones their **expiration to 30 June 2019**.
3. Page 8, Point 1.7: **Part of paragraph (e) of article 8**, which read “*as well as a provision stating that no remuneration of any kind shall be paid to any member or officer of the Board of Directors for services provided: The members, including the members of the Board of Directors or the founders of the association, can claim any reasonable expenses incurred during the implementation of their duties, including fees for the participation in research projects or other projects funded or co-funded by third parties, after they submit the relevant documents, and provided that the Articles of Association do not state otherwise.*” **has been deleted**.
4. **A new article, 18A, has been added.** The article introduces a general prohibition to paying a member of the Board of Directors, unless otherwise stated in the Articles of Association. This means that if the Articles of Association foresee the payment of expenses, and/or any other payment to the Board of Directors, this is legal.
ATTENTION The amendment is only valid for Associations and Federations. It is not valid for Foundations.

PART B

5. Page 14, Point 2.2.1.ii and Page 17, point 2.2.3.ii: Following the amendment of article 8(a), it is no longer necessary to include the postal/contact address in the Articles of Association of an association or federation and/or union of organisations.
6. Page 14, Point 2.2.1.viii and Page 17, Point 2.2.3.viii: Following the deletion of part of article 8(e) and the addition of new article 18A, (a) it is no longer necessary to include the prohibition of payment to members of a Board of Directors of associations, in the minimum content of the Articles of Association, and (b) while there is a general prohibition to paying members of a Board of Directors, there is also a general acceptance **that if there is a provision in the Articles of Association of the association,** it is possible to pay members of the Board of Directors.
7. Page 15, Point 2.2.1 (i), Page 16, Point 2.2.2 (4), Page 18, Point 2.2.3 (h): The new law amends article 6, and in particular the tentative obligation to submit a Certificate of Criminal Record for each of the founders of an association or foundation or federation and/or union of organisations. The founding members may now submit either a Certificate of Criminal Record or a declaration, in which they state that they have not been convicted for a criminal offence involving lack of integrity or moral obscenity. The Registrars will decide which of the two will be required. Furthermore, an article stating the potential penalties to be imposed in case of false claims in the declaration has been added.

8. Page 14, Point 2.2.1, Page 15, Point 2.2.2, Page 17, Point 2.2.3: A new article has been added, number 6A, which concerns the registration of **new organisations working with children**. In this case the founders need to submit to the Registrar a certificate according to article 22 of the Law on the Prevention and Combating of sexual abuse and sexual exploitation of children and child pornography Law of 2014. So this certificate needs to be added to the necessary documents to be submitted by associations, foundations, federations and/or unions of organisations.
9. Page 14, Point 2.1.2.B.ii, should be deleted: Foundations have to submit a report from a certified accountant even if their annual income is less than forty thousand (40,000) euros.
10. Page 17, Point 2.2.3: Following the amendment of Article 44, it is now necessary to have **five (5)** organisations and not three (3) to register a federation or union of organisations.

PART C

11. Page 22, points a and b: The provision saying that organisations wishing to compensate members of the Board of Directors can do so has been deleted (see points above under PART A, Points 3 & 4).

PART D

12. Page 24. It is no longer necessary to include the postal/contact address in the Articles of Association of associations and federations and/or unions of organisations. And note the change of provisions regarding paying members of the Board of Directors for associations and federations and/or unions of organisations.

PART E

Foundations have to submit a report from a certified accountant even if their annual income is less than forty thousand (40,000) euros.

OTHER AMENDMENTS

As part of the amendments adopted in July 2018 (L. 76(I)/2018) changes or corrections were also made in articles 2, 13, 41, 47, and 50 of the Law.

Among other issues, the definition of what 'underage' means was included, and article 13 was amended and now reads as follows: *'All members of an association have equal rights, unless the Articles of Association of the Association deem otherwise'*.

The Law will now be referred to as 'the Laws about associations and foundations and other related issues of 2017 and 2018'