

ARTICLES OF ASSOCIATION – European Lawyers Foundation (unofficial translation)



Article 1- Name and registered office

1. Name of foundation

The foundation's name shall be: Stichting European Lawyers Foundation, hereinafter referred to as: the "Foundation".

2. Registered office

The Foundation's registered office shall be located in The Hague, the Netherlands.

Article 2 - Object

1. The Foundation's object shall be to undertake projects that relate to the exercise of the profession of lawyers, the development of the law and practice pertaining to the rule of law and administration of justice and substantive developments in the law itself, both at a European and international level. The Foundation's activities aim to further the objectives, values and subsequent policy of the European lawyers, as developed in the Council of Bars and Law Societies of Europe (CCBE) AISBL, based in Brussels.

2. The Foundation does not aim to make a profit.

Article 3 - Financial resources

The financial resources of the Foundation consist of:

- any amounts or goods raised or to be raised on the occasion of its formation for the realization of its object;
- any amounts or goods received from third parties, including (but not limited to) gifts, inheritance and subsidies;
- the income and revenues that the Foundation receives from the activities it organizes and the use of its assets;
 - public or charitable funds within the framework of the implementation of projects co-financed by Governments and/or international organizations or as a result of the implementation of public contracts; and other assets.

Article 4 - The Board of Directors

1. Number of Board Members

The Foundation shall be managed by the Board of Directors, which is formed by three (3) board members.

2. Appointment of Board Members

The Board Members are appointed by the Supervisory Board.

The Supervisory Board shall appoint a Chair from the members of the Board

3. Filling a vacancy

In the event in which the Board of Directors would have less than three members, the Supervisory Board will immediately appoint a new member to fill the vacancy.

4. Term of office

The Board Members shall be appointed for a specified period of time of two (2) years and are eligible for reappointment for further periods of two (2) years.

5. Financial provision

The Board Members shall not receive any remuneration for the performance of their Board-related duties.

The Board Members will be entitled to reimbursement of the costs made by them in the performance of their duties and non-excessive attendance fees according to the guidelines established by the Supervisory Board in consultation with the Advisory Board.

Commercial or professional supplies, activities or services performed by a Board Member for the benefit of the Foundation require the prior, unanimous, written consent of all other Board Members. The same shall apply if the Board Member has an indirect interest in these supplies, activities or services.

6. End of Board membership

During his term, a Board Member shall lose his position:

- due to his retirement at his own request;
- if he is declared bankrupt, an arrangement in connection with the debt scheduling arrangement for natural persons is declared applicable to him or he is granted a suspension of payments;
- due to his death, placement under guardianship or if an administrator or mentor is appointed over his property or person; due to his dismissal pursuant to a decision of the Supervisory Board;
- due to his dismissal by the court;
- due to him becoming a member of the Supervisory Board or the Advisory Board;
- due to his irrevocable conviction by a Dutch judge due to the intentional commission of a crime as meant in Article 67, first paragraph, of the Dutch Code of Criminal Procedure (Wetboek van Strafvordering), provided that (i) the crime was committed in the capacity of board member, (de facto) supervisor or (de facto) representative of the Foundation, (ii) while no four (4) years have passed since the conviction, and (iii) the crime given its nature or context with other by the Foundation or mentioned persons crimes committed result in a serious breach of the law, or
- due to the mere fact that the period of time for which he was appointed elapsed, provided that he is not reappointed.

A Board Member dismissed by the court cannot be reappointed as a Board Member of the Foundation for a period of five (5) years.

Article 5 - Representation of the Foundation

1. The Foundation shall be represented by the Board of Directors or by the Chair of the Board acting jointly with one (1) other Board Member.

The representation for daily management can be delegated to one of the Board members or to a third person.

2. The Board of Directors may grant a Board Member or a third party a power of attorney to represent the Foundation within the limits of that power of attorney.

Article 6 - Powers of the Board of Directors

1. Duties of the Board of Directors

The Board of Directors shall be responsible for the functioning of the Foundation. To the extent additional bodies are established in these Articles of Association which are granted certain powers/duties pursuant to provisions included in these Articles of Association or by the law, all remaining powers and duties are assigned to the Board of Directors.

2. Decisions for which the Board of Directors needs prior advice and authorization

The Board of Directors shall take advice of the Advisory Board and ask authorization of the Supervisory Board prior to following decisions:

- The engagement of the Foundation in projects which, on itself or in combination, exceed a total

- amount of 100.000€
- The appointment of a Managing Director amongst its members and the establishment of his remuneration;
 - Agreements whereby the Foundation commits itself as a surety or jointly and severally liable co-debtor, guarantees a third party's obligations or commits itself to provide security for a third party's debt
 - Agreements for the acquisition, sale and encumbering of registered property
 - Resolutions aiming at the amendment of the Statutes, as foreseen in article 12
 - The resolution to dissolve the Foundation, or to proceed into legal merger or split-off, as foreseen in article 13
 - The resolution concerning the destination of the liquidation balance after dissolution of the Foundation, as foreseen in article 14

Resolutions for unforeseen cases, as foreseen in article 15

3. External duties of the Board of Directors

The Board of Directors has to inform in due course third parties of the requirement of prior advice and authorization. Any decision taken disregarding the process of prior consultation and authorization or in breach of the advice or authorization, may lead to the dismissal of some or all members of the Board of Directors, eventually without prior notice. The members of the Board of Directors can be personally held liable for all costs and expenses caused by the decision taken in breach of point 2 of this Article, or for the indemnities to be paid for cancelling this decision.

Article 7 - Meetings of the Board of Directors

1. Frequency

The Board of Directors shall convene as many times as necessary by way of a notice from one of its members. Any Board Member may participate in a meeting of the Board of Directors by means of telephone conference, video conference or similar communications equipment whereby all persons participating in the meeting of the Board of Directors can hear each other, and participation in the meeting of the Board of Directors in this manner shall be deemed to constitute presence in person at such meeting. Meetings of the Board of Directors may also be held by telephone or videoconference.

2. Notice convening a meeting and minute-taking

The Managing Director shall formally convene meetings of the Board of Directors by way of a written notice to all members of the Board of Directors. The time between the day on which the convocation notices are sent and that on which the meeting is held must amount to at least seven (7) days. The convocation notice shall contain an agenda of the subjects to be discussed and, where necessary, more detailed information.

The Managing Director or another person designated thereto by the Chairman shall take the minutes of the proceedings at the meeting which, after they have been adopted, shall be signed by the Chairman and the person who took the minutes of the proceedings at the respective meeting.

Each Board Member shall have the right to acquire a copy of the minutes to be issued by the Managing Director and to be signed by the person who took the minutes of the respective meeting.

3. Representation by power of attorney

A Board Member may arrange to be represented by another Board Member in the meeting of the Board of Directors. To that end, authorization in writing must be submitted to the Chairman.

A Board Member may be a person holding a power of attorney for no more than one (1) Board Member.

Article 8 - Resolutions adopted by the Board of Directors

1. *Validity*

The Board of Directors may adopt resolutions both in and outside of meetings.

To the extent that these Articles of Association do not provide for otherwise, a resolution in the meeting may only be adopted if all Board Members are present or represented.

A resolution outside of a meeting shall require the consent of an absolute majority of the Board Members holding office, which consent must be evident in writing.

If the provisions in these Articles of Association with respect to convening the meeting have not been observed, the Board of Directors may nevertheless adopt valid resolutions provided the Board Members absent from the meeting have declared prior to the time of this meeting that they do not object to the adoption of the proposed resolutions.

2. *Manner of voting*

Voting shall be oral, unless a Board Member requests a vote by ballot

3. *Requisite majority*

To the extent that these Articles of Association do not provide for otherwise, resolutions of the Board of Directors shall be adopted with an absolute majority of the Board Members holding office.

4. *The votes*

If there is a tie vote the proposal shall be rejected.

5. *Conflict of interests*

A member of the Board of Directors may not take part in deliberations and the adopting of resolutions if (s)he has a direct or indirect personal interest in them which conflicts with the interests of the Foundation. If a resolution cannot be adopted as a result, the resolution must be adopted by the Supervisory Board.

Article 9 - Supervisory Board

1. *Establishment*

The Foundation has a Supervisory Board. The Supervisory Board consists of five (5) members.

2. *Duties*

The Supervisory Board appoints and dismisses the members of the Board of Directors.

The Supervisory Board examines all financial aspects of the Foundation, including projects considered by the Foundation. The Supervisory Board monitors the financial evolution of projects and expenditures, and may request at any time the Board of Directors to provide any information relating to cash flow, accounting, accounting records and any other information relating to finance and accounting.

The Supervisory Board may at any time request the appointment of a financial expert to audit a specific project or the overall accounting organization. The Supervisory Board shall be granted, at any time, access to the premises of the Foundation and to the accounting records.

The Supervisory Board drafts guidelines for the attendance fees for meetings and the reimbursement of costs incurred by the Members of the Board of Directors in the execution of their mandate, as foreseen in article 4.5. above.

Each year the Supervisory Board approves the annual financial report presented by the Board of Directors, after consulting the Advisory Board.

At the request of the Board of Directors or the Advisory Board, the Supervisory Board shall examine whether it can authorize decisions of the Board of Directors as mentioned in article 6.2. The Supervisory Board takes its decisions by a simple majority. Refusal of such authorization requires reasoning. The decision of the Supervisory Board shall be final.

3. Appointment of members of the Supervisory Board

The Standing Committee of the Council of Bars and Law Societies of Europe (CCBE) shall appoint the members of the Supervisory Board, two of which amongst candidates proposed by the CCBE Presidency and another one amongst the candidates proposed by the CCBE Finance Committee amidst its members.

4. Term of office

The members of the Supervisory Board shall be appointed for a specified period of time of two (2) years and are eligible for reappointment for further periods of two (2) years.

5. Financial provision

The members of the Supervisory Board shall not receive any remuneration for the performance of their Supervisory Board-related duties

6. End of Supervisory Board membership

During his term, a member of the Supervisory Board shall lose his position:

due to his retirement at his own request;

if he is declared bankrupt, an arrangement in connection with the debt scheduling arrangement for natural persons is declared applicable to him or he is granted a suspension of payments;

due to his death, placement under guardianship or if an administrator or mentor is appointed over his property or person;

due to his dismissal pursuant to a resolution of the CCBE; due to his irrevocable conviction by a Dutch judge due to the intentional commission of a crime as meant in Article 67, first paragraph, of the Dutch Code of Criminal Procedure (Wetboek van Strafvordering), provided that (i) the crime was committed in the capacity of board member, (de facto) supervisor or (de facto) representative of the Foundation, (ii) while no four (4) years have passed since the conviction, and (iii) the crime given its nature or context with other by the Foundation or mentioned persons crimes committed result in a serious breach of the law;

due to him becoming a member of the Board of Directors or the Advisory Board, or due to the mere fact that the period of time for which he was appointed elapsed, provided that he is not reappointment.

7. Frequency of the Supervisory Board meetings

The Supervisory Board shall convene as many times as necessary but at least once every quarter. The Supervisory Board may invite the Board of Directors or one of its members to its meetings.

The CCBE Secretary General shall receive all invitations and documentation for the Supervisory Board meetings. He can attend the meetings as an observer, without voting rights.

Any member of the Supervisory Board may participate in a meeting of the Supervisory Board by means of telephone conference, video conference or similar communications equipment whereby all persons participating in the meeting of the Supervisory Board can hear each other, and participation in the meeting of the Supervisory Board in this manner shall be deemed to constitute presence in person at such meeting. Meetings of the Supervisory Board may also be held by telephone or video conference.

8. Notice convening a meeting and minute-taking

The Managing Director shall convene meetings of the Supervisory Board at the request of any member

of the Supervisory Board by way of a written notice to all members of the Supervisory Board. The time between the day on which the convocation notices are sent and that on which the meeting is held must amount to at least seven (7) days. The convocation notice shall contain an agenda of the subjects to be discussed and, where necessary, more detailed information.

The Managing Director or another person designated thereto by the chairman of the meeting of the Supervisory Board shall take the minutes of the proceedings at the meeting which, after they have been adopted, shall be signed by the chairman of the meeting of the Supervisory Board and the person who took the minutes of the proceedings at the respective meeting. Each member of the Supervisory Board shall have the right to acquire a copy of the minutes to be issued by the Managing Director and to be signed by the person who took the minutes of the respective meeting.

9. Representation by power of attorney

A member of the Supervisory Board may arrange to be represented by another member of the Supervisory Board in the meeting of the Supervisory Board. To that end, authorization in writing must be submitted to the chairman of the meeting of the Supervisory Board.

A member of the Supervisory Board may be a person holding a power of attorney for no more than one (1) member of the Supervisory Board.

10. Validity

The Supervisory Board may adopt resolutions both in and outside of meetings.

To the extent that these Articles of Association do not provide for otherwise, a resolution in the meeting may only be adopted if all members of the Supervisory Board are present or represented.

A resolution outside of a meeting shall require the consent of an absolute majority of the members of the Supervisory Board holding office, which consent must be evident in writing.

If the provisions in these Articles of Association with respect to convening the meeting have not been observed, the Supervisory Board may nevertheless adopt valid resolutions provided the members of the Supervisory Board absent from the meeting have declared prior to the time of the meeting that they do not object to the adoption of the proposed resolutions.

11. Manner of voting and tie of votes

Voting shall be oral, unless a member of the Supervisory Board requests a vote by ballot.

If there is a tie of votes, the proposal shall be deemed to be rejected

12. Conflict of interests

A member of the supervisory board may not take part in deliberations and the adopting of resolutions if (s)he has a direct or indirect personal interest in them which conflicts with the interests of the Foundation. If a resolution cannot be adopted as a result, the resolution must be adopted by the Advisory Board

Article 10 - The Advisory Board

1. Composition

The Advisory Board shall be composed of up to 45 members.

The members of the Advisory Board shall be appointed and discharged by the CCBE delegations. Each delegation can appoint one member in the Advisory Board

2. Appointment

Unless the Advisory Board counts the maximum number of members, the CCBE Secretariat will invite regularly, and at least once a year, the CCBE delegations who do not have an active member in the Advisory Board, to appoint one.

3. Duties

The main objective of the Advisory Board shall be to give advice to the Board of Directors on strategic

issues and other issues of major importance as well as on any issues requested by the Board of Directors.

The Advisory Board shall examine decisions and initiatives as mentioned in article 6.2. of these statutes. Any Advisory Board advice shall be referred to the Board of Directors and the Supervisory Board.

4. Regulations

The Advisory Board may draw up, in consultation with the CCBE, regulations detailing further formalities of the appointment and retirement of its members, and the duties, powers, working procedure and other aspects of its functioning.

5. Financial provision

Members of the Advisory Board shall not receive any remuneration for the performance of their duties that are related to the Advisory Board.

Article 11 - Financial year, accounting and records

1. Financial year

The Foundation's financial year shall coincide with the calendar year.

2. Accounting and records

The Board of Directors is obliged to keep records of the financial position of the Foundation and of everything concerning the Foundation's activities in such a way that the Foundation's rights and obligations can be known from them at any time and to keep, carefully and in an accessible manner for reference and auditing purposes, the administration with all the books, documents and other data carriers belonging thereto.

3. Annual report and accounts and budget

The Board of Directors shall arrange for an annual financial report on an annual basis which shows the revenue and expenditure of the past financial year and the financial position of the Foundation at the end thereof.

This report must be approved by the Supervisory Board and adopted by the Board of Directors within six (6) months after the Foundation's financial year ends.

The budget of the Foundation for the following year shall be approved by the Supervisory Board and adopted by the Board of Directors at the latest the 31st of October of the preceding year.

The Board of Directors shall submit the annual financial report to the Advisory Board.

Article 12 - Amendments to the Articles of Association

1. Authorization and adopting resolutions

The amendments of the Articles of Association of the Foundation can be only decided upon by the Board of Directors after consulting the Advisory Board and having received prior authorization of the Supervisory Board.

The resolution thereto may only be adopted in a meeting in which all Board Members are present or represented.

If not all Board Members are present or represented, a new meeting - no earlier than two (2) weeks and no later than six (6) weeks after the first meeting - may be convened. In that new meeting, a resolution can be adopted - with due observance of the aforementioned majority of votes cast - to amend the Articles of Association, irrespective of the number of Board Members present or represented at that time.

2. Implementation

The Board of Directors shall arrange for the implementation of the resolution. The amendment to the

Articles of Association shall be effected by a notarial instrument drawn up for that purpose. Each Board Member is authorized, for the purpose of this amendment, to act on behalf of the Foundation, upon submission to the civil-law notary of the document or documents showing the valid resolution to amend the Articles of Association.

A certified copy of the deed of amendment to the Articles of Association and a continuous text of the amended Articles of Association must be filed at the Commercial Register.

Article 13 - Dissolution of the Foundation, legal merger, split-off

1. Resolution to dissolve the Foundation

The Board of Directors has the power to dissolve the Foundation after receiving prior authorization of the Supervisory Board.

The resolution to dissolve the Foundation shall also indicate, if possible, the purpose for which the balance showing upon liquidation of the Foundation is designated. The provisions of Article 14 paragraph 3 are applicable to the purpose of the liquidation balance.

If, at the time of dissolution, the Foundation no longer has any revenues, it shall cease to exist. In that case, the Board of Directors shall indicate this in the Commercial Register.

2. Other causes

The Foundation shall furthermore be dissolved:

due to insolvency after the Foundation has been declared bankrupt or due to discontinuance of the bankruptcy because of the condition of the estate;

due to a court decision to that effect in the cases referred to by the law.

3. Legal merger or split-off

The same regulations regarding the adoption of a resolution as prescribed for an amendment to the Articles of Association, without prejudice to the requirements of the law, shall apply to a resolution for a legal merger or a split-off of the Foundation.

Article 14 – Liquidation

1. Liquidators

The liquidation of the assets of the dissolved Foundation and the winding-up of its affairs shall be arranged by the Board of Directors **after receiving authorization of the Supervisory Board.**

2. Foundation in the process of being liquidated

The Foundation shall continue to exist after dissolution if and to the extent that such is necessary to liquidate its assets.

The provisions of these Articles of Association shall remain in effect to the greatest extent possible and necessary during the liquidation process.

The words "in the process of being liquidated" must be added to the Foundation's name in documents and notices sent by it.

3. Destination of the liquidation balance

The resolution to dissolve the Foundation shall determine which destination, after payment of all debts, shall be given to the remaining assets of the Foundation (the liquidation balance), on the understanding that the balance may only be transferred to a non-profit organization that has been granted the ANBI-status within the European Union with a similar objective as the Foundation. The same requirements applicable to the resolution to dissolve the Foundation shall also apply to this specific resolution concerning the destination of the liquidation balance.

The liquidation process shall end at the time there are no more assets of which the liquidators are aware.

In the event of liquidation, the Foundation shall cease to exist at the time the liquidation process ends. The liquidators shall indicate this in the Commercial Register.

After the Foundation has ceased to exist, the dissolved Foundation's books and records shall be kept for seven (7) years by the person designated by the Board of Directors by the resolution to dissolve the Foundation. Within eight (8) days after his obligation to keep these documents commences, the designated custodian must indicate his name and address in the Commercial Register.

After the Foundation has ceased to exist, the dissolved Foundation's books and records shall be kept for seven (7) years by the person designated by the Board of Directors by the resolution to dissolve the Foundation. Within eight (8) days after his obligation to keep these documents commences, the designated custodian must indicate his name and address in the Commercial Register.

Article 15 – Regulations and unforeseen cases

1. Regulations

The Board of Directors may lay down, amend or revoke standing orders or other regulations. A regulation may not conflict with the Articles of Association or the law nor contain subjects that, pursuant to the applicable law, should be provided for in the Articles of Association.

2. Unforeseen cases

In all cases for which the Articles of Association or the law does not provide, the Board of Directors shall adopt resolutions.

Article 16 - Applicable law

The law applicable to the Foundation is Dutch law.