



## **STATUTES OF THE PAU COSTA FOUNDATION**

**January 31<sup>st</sup> 2011**

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## **CHAPTER 1**

### **Name, nature, duration, address, scope of action and legal personality**

#### Article 1. Name, nature and duration

The Foundation is a non-profit organization which has the assets, yields obtained and resources permanently bound to the realization of the objectives of general interest under these statutes. The foundation is named **PAU COSTA FOUNDATION**

The Foundation holds a permanent mission and is established for an indefinite period of time.

#### Article 2. Address

The address of the Foundation is located in the town of Tivissa, carrer Castell, number 11, baixos, post code 43746 in the province of Tarragona, and it could be moved to another place in Catalonia, which would entail the appropriate modification of the statutes.

#### Article 3. Scope of action

The Foundation carries out its functions mainly in Catalonia. However, it may act in the remaining territory of Spain and internationally.

#### Article 4. Legal System

The foundation has its own legal personality and enjoys full legal capacity to act granted by its founding charter delivered in public deed and its registration in the Register of Foundations of the Generalitat of Catalonia.

The Foundation is governed by the declarations contained in the founding charter, by the

applicable legal provisions, by these statutes, and by the decisions adopted by the Board of Trustees when putting those declarations into practice.

## **CHAPTER II**

### **Founding Principles**

Article 5. Founding Principles.

The Foundation is based upon the following principles, which should inspire the acts of all its members:

- a) The acknowledgement and protection of biodiversity, and the other environmental and ecological functions present within the territorial matrix and the forest ecosystems.
- b) The respect and promotion of human activities which favour the maintenance and preservation of the values of the territorial matrix and the forest ecosystems.
- c) The respect for democratic values and the promotion of collaborative attitudes, active cooperation and solidarity among people, groups and institutions as the only way to achieve harmony between human activities and the permanence of the values of territory and landscape.

## **CHAPTER III**

### **Founding aims and activities**

Article 6. Founding aims

The Foundation has as main aims the study and development of the knowledge, techniques and tools for the education, planning, management and action in forest fires, the training of personnel in this field, the recruiting and diffusion of knowledge within the field of forest fire ecology and management, the study of the behaviour of forest fires and the causes which originate them.

It will also be the purpose of the Foundation to carry out international cooperation actions for development, through the transfer of knowledge and/or resources to developing countries for sustainability and environmental protection.

Article 7. Activities

In order to achieve its founding aims, the Foundation carries out the activities that the Board of Trustees considers necessary directly or/and in collaboration with other agencies, institutions or people, in accordance with the regulations on foundations. Consequently in order to achieve its founding finality, the Foundation carries out the following activities by way of example and without limitation:

- a) Diffusion and education in forest fire management.
- b) Study, research and development in the field of fire ecology, that is to say, the study of the ecological processes and the knowledge of the capacity to respond to fire of the main plant species in our landscape, so as to study the consequences of forest fires at landscape scale, and consider the characteristics of fire regime (extension, frequency, severity) as fundamental elements to understand the capacity of regeneration of terrestrial ecosystems.
- c) Study and development of techniques to manage and act in forest fires, in accordance with the objectives of land management.
- d) Development of tools for acting in forest fires.
- e) Promote and provide training in the field of forest fires.
- f) Promote international exchanges in the field of forest fires.
- g) Management and operative participation in forest fires at international level.
- h) Planning and management of land in the forest field.
- i) Analysis of forest fire behaviour and the causes that originate it.
- j) Other activities related to forest and/or fire fields.
- k) Any other acts which are defined and approved by the Board of Trustees, in accordance to these statutes and legal provisions, necessary to fulfil the different aspects of the general objectives of the founding aims.
- l) Other activities of general interest which are carried out in order to comply with the founding aims, or which are accessory or complementary of those, and which the Foundation will carry out to obtain resources.

The Board of Trustees has full liberty to select from the above mentioned activities those which it considers most appropriate and adequate to the circumstances or, even, carry out others which also accomplish the essential aims and the will of the founders.

The activities which are connected with the founding aims must be carried out in accordance with the rules that regulate them specifically, obtaining, if necessary, the pertinent permits and licenses.

#### Article 8. Basic rules for the allocation of resources to the aims

The revenues and other annual sources of income which may be obtained by the foundation must be assigned to the fulfilment of its founding aims within the limits established by applicable regulations.

The Foundation may carry out any type of economic activity, acts, contracts, operations and legal businesses, subject to the prevailing legislations.

#### Article 9. Basic rules for the allocations of beneficiaries.

The beneficiaries of the Foundation are the following general groups of people: All those natural or legal persons, public and/or private organizations connected with the forest world in general, and specifically with the world of forest fires.

The beneficiaries will be elected by the Board of Trustees according to principles of impartiality and non discrimination on the basis of sex, religion, race, social background, disability, in accordance with the following criteria:

- a) Respect the finality, the objectives and principles of the Foundation.
- b) Comply with the objective specific requisites which the Board of Trustees may agree on additionally, in specific cases if applicable.

### **CHAPTER IV** **Economic Regime**

#### Article 10. Assets of the Foundation and economic activities

The assets of the Foundation are subjected to the compliance with the founding aims. The assets are made up of:

- a) the initial founding capital provided by the founders which is stated in the founding aims;
- b) all the property and rights of economic nature, which the Foundation receives and accepts with the aim of increasing the founding capital, and

c) by all the yields, profits, income and products, and other assets acquired by the Foundation for any name or concept, incorporated to the Foundation.

#### Article 11. Disposal and obligation to reinvest

11.1 The transfer, encumbrance or any other act of disposal of the assets and rights has to be done on a payment basis, and respecting the conditions of the founders or of the donors of such assets. In any case, the profits obtained have to be reinvested in the acquisition of other assets and rights which are subrogated instead of the ones transferred, or in the improvement of the assets of the Foundation.

11.2 The necessity or convenience of the operations of disposal or direct or indirect transfer has to be justified and duly verified. The Board of Trustees must have all the appropriate information to take a decision responsibly before carrying out any act of disposal.

11.3 The Board of Trustees has to communicate to the Protectorate the acts of disposal or transfer mentioned in section 1 of this article within thirty working days from the day in which they were done.

11.4 The following acts of disposal, transfer and administration are subject to the prior approval of the Board of Trustees:

- a) if the assets or rights which are to be disposed have been purchased with funds from public subsidies,
- b) if the donor has specifically requested it,
- c) if it is required by a provision in the statutes,
- d) if the benefit from the operation is not totally reinvested in the assets of the foundation.

11.5 The Board of Trustees may, whenever it is necessary and in compliance with the economic situation and applicable legislation, introduce the modifications that it deems convenient regarding the investments of the assets of the Foundation.

11.6 In order to carry out acts of disposal of assets and rights which make up the Foundation assets, and in order to accept inheritances, legacies or other assets and rights which may become part of the capital of the foundation, the Board of Trustees must agree on it by a

majority of two thirds, and in compliance with the legal provisions. The Board of Trustees will have to accept inheritances and legacies under the benefit of inventory, besides those instances in which the assets of the inheritances or legacies were higher than the liabilities.

## Article 12. Financial and documentary regime

12.1 The Foundation must keep up a daily book, and inventory and annual accounts book.

12.2 The Board of Trustees of the Foundation must do an inventory and formulate annual accounts simultaneously on the date of the closing day of the fiscal year, in accordance with the generally accepted accounting principles and the applicable legal provisions.

The fiscal year must be closed on December 31.

12.4 The annual accounts as a whole are made up of:

- a) the balance sheet
- b) the results account
- c) statement of changes in equity
- d) statement of cash flow
- e) the memory, in which the information stated in the balance sheet and the results account must be completed, expanded and commented, and which enumerates the activities carried out in compliance with the founding aim; the memory also specifies who are the beneficiaries and which services they have received, and the resources from other fiscal years which are still pending allocation, if there should be any, and the societies in which it participates with a majority, with a reference to the percentage of participation.

12.4 The Board of Trustees has to approve the annual accounts within six months of the closure of the fiscal year, and must submit them to the Protectorate of the Generalitat of Catalonia within 30 days of their approval for its filing.

12.5 The Board of Trustees has to approve and present an annual report in relation to the temporary financial investments which conducts in the securities market, where it states the degree of compliance with the code of conduct which non-profit organizations have to follow in accordance with applicable law or as disposed by the ruling authority.

12.6 The annual accounts are subject to an external audit when required by the legally prescribed circumstances.

Were these legally prescribed circumstances not applicable for the annual accounts to be audited, and if a third of the members of the Board of Trustees asks for an audit for justified reasons, because it considers that it exists an exceptional circumstance in the management of the Foundation which so advises it, a meeting of the Board of Trustees shall be called within 90 days from day it is demanded, so that it can be agreed reasonably whether or not to carry out the petitioned account audit. If such meeting is not called within the established period, or if once held for such purpose, it is agreed not to conduct an audit, the interested Trustees may address their petition to the Protectorate, as established by the article 332.8.4 of the Law 4/2008 of 24 April, of the Third book of the Civil Code of Catalonia which regards legal persons.

#### Article 13. Annual Resources

The economic resources of the Foundation are made up:

- a) the income and yields of its own assets,
- b) the net amounts it may perceive as result of the activities established in the founding aims,
- c) the subsidies and other liberalities which it receives for such aims and which don't have to be incorporated to the initial capital.

#### Article 14. Compulsory application.

The Foundation must allocate at least seventy per cent of the income and other annual net incomes obtained to the fulfilment of its founding aims. The remaining part should be allocated to a deferred fulfilment of its aims or to the increase of its own funds. The Board of Trustees shall approve the allocation of its income.

If the Foundation should receive property and rights without a specified allocation, the Board of Trustees shall decide whether it incorporates them or they are applied directly to the fulfilment of the funding aims.



The allocation of at least seventy per cent of income to the fulfilment of the founding aims must be conducted within four fiscal years counting from the fiscal year following its inclusion in the accounting records.

#### Article 15. Administrative expenses

The expenses which derive from the functioning of the Board of Trustees and its delegate organs, without including for this matter the cost of management functions, should not be higher than 15% of the net income obtained during the fiscal year.

#### Article 16. Participation in societies

The Foundation can set up companies and participate in them without requiring prior authorization, provided it does not entail the assumption of personal liability for company debts.

The Foundation must communicate to the Protectorate within 30 days the acquisition or holding of shares or social shares which confer, directly or indirectly, the control of societies which limit the responsibility of the shareholders.

## **CHAPTER V**

### **Organization and governance**

The Board of Trustees is the body that governs and administers the Foundation, it represents and manages it. It assumes all the powers and functions which are necessary for the fulfilment of the founding aims.

#### Article 18. Composition of the Board of Trustees and requisites to be a member

The Board of Trustees is a collegiate body formed by natural or legal persons, the number of which may not be less than five nor more than 20.

Any individual in full possession of their civil rights and who is not disqualified or disabled from exercising public functions or holding public office or administering property, and who

has not been sentenced for offences against patrimony or against socioeconomic order, may be a member of the Board of Trustees.

Legal persons must be represented in the Board of Trustees, in a stable way, by the person who has been appointed for that function in accordance with the prevailing rules, or by the person appointed by the corresponding competent body.

#### Article 19. Proposal, renewal, appointment of Trustees and their duties

The first Board of Trustees is appointed in the Articles of Incorporation of the Foundation. The appointment of new trustees and the cover of any vacancies must be approved by the Board of Trustees by the majority specified in article 27. The trustees will perform their duties for a period of six years, and they can be re-elected indefinitely for the same period.

The trustees who, for any reason, resign from their appointment before the end of the period for which they were appointed, may be substituted at the proposal of the Board of Trustees. The person who substitutes the trustee will be appointed for the period which remains for the termination of the period of the substituted trustee, but he may be re-elected for the same period established for the other trustees.

The members of the Board of Trustees hold their position after having expressly accepted their appointment in the manner and to the effect stipulated by law.

The members of the Board of Trustees are to carry out their duties with the due diligence of a good administrator and loyal representative, acting in the interest of the Foundation and respecting the aims and principles of the Foundation. They are also to safeguard any data and information that they may have had access in their carrying out of their responsibilities, even when they have been relieved of said responsibilities.

#### Article 20. Gratis

The trustees are to exercise their responsibilities gratis without prejudice to the right to be reimbursed for any duly justified expenses incurred in the carrying out of the functions corresponding to the post.

## Article 21. Competences and delegation of functions

The Board of Trustees shall have all the discretionary powers attributed to the said Board in these statutes, and in general those which are needed in order to fulfil the founding aims, with no other exception than those established by law and in these statutes.

The Board of Trustees has the power to:

- a) Appoint new trustees if the number of members should be increased, and cover the vacancies that may occur for any reason, within the established limit in article 18, and in accordance with the requirements established in these statutes and the applicable legal provisions.
- b) Remove trustees.
- c) Create organs of management and direction, appoint the people who have to hold these posts and grant them the corresponding powers, always within the limits established by the applicable laws.
- d) Agree on the legal transactions and acts in relation to the representation and governance of the Foundation, administering the properties and rights which make up the Foundation's patrimony, goods and products and the exercise of its rights and actions, within the established statutory limits.
- e) Approve the budget settlement, balance sheet, results account, the statement of change in equity, the statement of cash flow and the annual memory of activities.
- f) Interpret these statutes and establish the appropriate complementary rules in accordance with the applicable law, and solve any legal incidents which may occur.
- g) Approve the modification of the statutes or the merger, spin-off or dissolution of the Foundation; all these acts cannot be done without the approval of the Protectorate.

- h) Take the necessary measures to develop the activities of the Foundation, by means of approving action programmes and budgets, ordinary and extraordinary.
- i) Safeguard the correct fulfilment of the objectives and funding aims, and approve the rules which are necessary to carry them out.
- j) Grant general or special powers to one or more people, with the faculties which are deemed convenient in every case, in accordance with the prevailing rules and limitations established within the applicable laws.
- k) In general, carry out all the actions, participate in legal transactions and sign any contract which is convenient for a better administration and disposal of the goods and properties of the Foundation, and to exercise the rights, the actions and faculties which are necessary to carry out and fulfil the founding aims appropriately, within the limits established by the applicable laws.

The Board of Trustees can delegate its functions in accordance with these statutes and the applicable legislation, but has to determine the functions, the powers it delegates and the period of time for which they can be delegated.

In any case, the Board of Trustees is exclusively responsible for the following activities:

- a) Modifying the statutes.
- b) The merger, spin-off or dissolution of the Foundation.
- c) The elaboration and approval of the budget and the documents that make the annual accounts.
- d) The acts of disposal of properties which, on their own or collectively, have a value higher than twenty per cent of the Foundation's fixed assets, except for the disposal of securities for a price at least equal to the securities market price. However, it can grant power of attorney can be granted to do so, on the conditions approved by the Board of Trustees.
- e) The constitution or endowment of another legal person.
- f) The merger, spin-off or assignment of all or part of the fixed assets and liabilities.
- g) The dissolution of societies or other legal entities.

h) Whatever requires the authorization and approval of the Protectorate.

What is stated in this article has to be understood without prejudice to the required authorizations of the Protectorate, or the communications which need to be done in accordance with the applicable law.

## Article 22. Calling of meetings

22.1. The Board of Trustees is to hold an ordinary meeting at least once a year, and compulsorily, during the first six months of the year in order to approve the budget of the previous fiscal year.

There will be extraordinary meetings on the initiative of the Chair, as many times as the Chair deems necessary for the appropriate functioning of the Foundation. Meetings are also to be held when required by a fourth of the members of the Board of Trustees, in which case the meeting will be held within thirty days of the petition.

22. 2 The Board of Trustees can meet exceptionally by means of videoconference, multiconference or any other system which does not require the physical presence of the trustees. In such cases, it must be guaranteed that the trustees who attend the meeting are identified properly, that the communication is not interrupted, that the trustees can participate in the discussions and that they can vote. The venue of the meeting will be the place where the Chair is. In virtual meetings, trustees who participate in the multiconference or videoconference will be considered as attendees.

22.3 The Chair will call the meeting and provide an agenda which states all the points to be dealt with in the meeting; no agreement can be made on issues which are not part of the agenda.

22.4 The meeting must be called with at least five-day prior notice of the date of the meeting, by any means that guarantee the reception of such notice by the interested parties.

22.5 In an ordinary meeting:

- a) the balance inventory and the annual accounts, integrated by the balance sheet, the results account, the statement of changes in equity, the statement of cash flow and the annual memory which the Chair or the designated person has to present, will be examined, and if appropriate approved.
- b) it will be determined the activities which are to be carried out during the following fiscal year
- c) other issues in the agenda will be solved.

22.6 Only the issues included in the agenda can be discussed in extraordinary meetings, and thus only agreements on those issues may be reached.

#### Article 23. Position

The Board of Trustees will designate a chair, a vice-president and a secretary from among its members. The trustees who do not hold any of these positions will have the condition of members of the Board.

#### Article 24. The Chair

The Chair, and in his/her absence the vice-president, have the following functions:

- a) represent the Foundation institutionally
- b) order the call to meetings, set the agenda and preside at, cancel or adjourn the meeting
- c) Submit to the Board of Trustees in the ordinary meeting the documents which constitute the annual accounts, the inventory balance, the explicative memory of activities carried out during the previous fiscal year, and the budget for the current year.
- d) Resolving drawn votes by means of his or her casting vote.
- e) Any other discretionary powers attributed to him or her by these statutes and those granted to him or her by the Board of Trustees, in accordance with the applicable law.

#### Article 25. The secretary

The secretary calls to meetings the Board of Trustees on behalf or the Chair, draws up the minutes, keeps the minutes book, and issues the certificates with the approval of the chair or on his or her behalf, and in his/her absence, of the vice-president.

It also has any other function inherent to the post or entrusted to him or her in these statutes.

#### Article 26. Deliberation and decision proceedings

The Board of Trustees shall be duly constituted when half plus one members of the Board attend the meeting on first call, either in person or via their legal representatives. On second call, at least a fourth of the members should attend, including necessarily the Chair and/or the vice-president.

The members of the Board of Trustees may be represented in the meetings by other members of the board, having to confer said representation in writing addressed to the Chair. If a member is such because he holds a position in an institution, he may be represented by the person designed to do so in accordance with the rules of such institution.

Each trustee has one vote and decisions are to be adopted by majority vote of those attending the meeting, whether in person or via their representatives, the Chair having the casting vote on the event of a tie.

If the Director of the Foundation is not a trustee, he may attend the meetings with the right to speak but not to vote. If he, in compliance with the law, is also a trustee, he has the right to speak and vote.

Those persons whose presence is deemed appropriate by the Board of Trustees may attend the meeting, with the right to speak but not to vote.

#### Article 27. Qualified majority

A favourable vote of at least 2/3 of the members of the Board of Trustees is needed to reach an agreement on the following:

- a) Appointment of Trustees in accordance with article 18 of these Statutes.
- b) Modification of the Statutes.
- c) Spin-off, merger or dissolution of the Foundation.

#### Article 28. Minutes

The secretary has to draw up the minutes of each meeting, which have to include the date, venue, agenda, names of the attendees, a summary of the issues discussed, the interventions which must be written down for the record, and the decisions taken with the specification of the results of the vote and the majorities.

The minutes have to be drawn up and signed by the secretary with the approval of the Chair and can be approved by the Board of Trustees immediately after the end of the meeting session or in the following meeting. Notwithstanding, the agreements shall be enforceable from the moment of their adoption, except if expressly stated in the statutes or if when voting it is decided that they shall not be enforced until the approval of the minutes. If the decisions are of compulsory inscription, they shall be enforceable the moment they are inscribed.

The Foundation must keep a minutes books which keeps all the minutes approved by the Board of Trustees.

#### Article 29. Conflict of interest

1. The members of the Board of Trustees have to communicate any situation of direct or indirect conflict which they may have with the Foundation, before the governing organ reaches an agreement for which they might be a conflict between a personal interest and an interest of the Foundation; they have to provide the relevant information and they must abstain from intervening during the deliberation and the vote.

To clarify whether there is a conflict of interest, it will be considered as a personal interest any of the interests of the following people:

1. If it is a natural person, the interests of the spouse, other people with whom there are affective links, immediate direct relatives without limitation, and collateral relatives within fourth degree by blood and second degree by marriage; the interests of legal entities in which the interested party holds an administrative position, or in which, directly or indirectly by means of another person, the interested party constitutes a decision unit in accordance with commercial law.



2.If it is a legal person, the interests of its administrators or assignees, that of the controlling partner, and the institutions with which they form a decision unit in accordance with commercial law.

In case of a conflict of interest between the Foundation and any of the members who belong to any of its governing bodies, the affected members will not be able intervene in the decision taking process nor in the decision proceedings; if a decision is taken or a certain act is enforced, it must be communicated to the Protectorate within the following thirty days.

2. The Trustees and the people who are specially connected to them, as specified in the previous paragraph, cannot sign any contract or transaction involving the sale or purchase of property rental, or personal property of extraordinary value, the providing of loans or remunerated services.

3. The members of the Board of Trustees when accepting their appointments, and during the tenure of their positions agree to:

- 1.To hold their position with the exclusive interest of the Foundation, giving absolute priority to the respect and fulfilment of its aims.
- 2.Not to use the condition of trustee, or the information obtained because of such position, for their private aims and/or to achieve economic benefits.
- 3.Not to enter into business opportunities which they come into contact with or know of because of their conditions of members of the Board of Trustees.
- 4.Not to carry out professional, mercantile or industrial activities which may be directly related with the activities of the Foundation, except if permitted by law and/or they are authorized by the Protectorate, if appropriate.
- 5.Not to purchase share titles of companies which carry out activities related to those of the Foundation, and which therefore could cause a situation of conflict of interest, unless if authorized by the Board of Trustees and the Protectorate, when required by law.
- 6.If the professional, mercantile or industrial activities which may cause a conflict of interest were carried out before being designated for the position, they are to inform the Board of Trustees before accepting the position. They are also to inform in the same circumstances if they participate in Limited companies.

7. Not to participate nor provide services to businesses or companies where the Foundation has participation, unless previously authorized by the Board of Trustees and the Protectorate, when required by law, while they hold their position and one year after having finished it.

When the Trustee is a legal entity, public or private, these obligations should be required from both the entity and the persons who represent it.

All these obligations will also be required from the Director of the Foundation, if there is one, and the first two compromises shall be required to all the employees of the Foundation.

#### Article 30. Termination

1. The trustees will terminate their appointment for the following reasons:

- a) Death or declaration of absence if it is a real person, extinction in the case of legal persons.
- b) Incapacity or disqualification.
- c) Termination of the position for which the person was a member of the Board of Trustees.
- d) Termination due to the end of the period of mandate unless renewed.
- e) Written resignation presented to the Board of Trustees.
- f) Final judicial resolution which estimates liabilities for damages to the Foundation or which orders his or her position removal.
- g) Removal decided by the Board of Trustees.
- h) Any others established by law or the Statutes.

2. The resignation from the position of trustee has to be registered in any of the ways established in the acceptance of the position, but it will only be effective to a third party when it is registered in the Registrar of Foundations.

### **CHAPTER VI**

#### **Regulation of other organs. Composition and functions**

#### Article 31. Delegate Committee

The Board of Trustees can create a Delegate Committee, which will act as an executive board which will support the general director.

The Delegate Committee will have all the functions entrusted to it by the Board of Trustees, except those which cannot be delegated in accordance with these Statutes and Law 4/2008 of the third book of the Civil Code of Catalonia.

It is to be made up of a seven members of the Board of Trustees, including *ex officio* the Chair and the Secretary of the Board, who will have the same positions in the Delegate Committee.

The Delegate Committee will be duly constituted when half plus one members attend the meeting.

Decisions are to be adopted by simple majority vote of those members attending the meeting. The Chair has the deciding vote in case of tie vote.

The vote will be nominal, except when the members attending the meeting decide by simple majority that the vote must be secret.

Prior invitation, those people whose presence is deemed appropriate may attend the meetings of the Delegate Committee with the right to speak but not to vote, their presence not counting towards establishing the attendance quorum.

The Secretary will draw up the minutes of all the meetings and will keep a minutes book. The minutes are to be approved at the end of each meeting.

## Article 32. Advisory Council

1. The Board of Trustees will create an Advisory Council for consultation purposes, made up of a minimum of 3 members and a maximum of 13, chosen from among persons of acknowledged prestige. The Advisory Council has the functions of proposing new trustees, making suggestions related to the fulfilment of the founding aims and principles, proposing ideas and discussing all the aspects and questions related to the aims of the Foundation which

they shall be asked, and advising the Board of Trustees and the Delegate Committee whenever required.

2. This Council will designate a president and a secretary which will draw up the minutes of every meeting and will keep a minutes book. The minutes are to be approved at the end of each meeting.

3. The Council will meet whenever required by the president, but at least once a year. The Council meetings will be valid regardless of the number of members who attend the meeting, and decisions will be taken by majority vote of those attending the meeting.

4. Trustees may be invited to attend meetings of the Advisory Council.

5. The Advisory Council will be responsible for the proposal of new Trustees of the Foundation whose appointment will correspond to the Board of Trustees.

6. The members of the Advisory Council will hold their positions for a period of 3 years, with the possibility of being reelected indefinitely for successive periods of three years.

#### Article 33. General Director

The Board of Trustees can appoint a general director who occupies the post of executive manager of the Foundation. This post can be occupied by a trustee only if the circumstances established by article 332.2.1 of the law 4/2008 do not apply. Otherwise and prior authorisation by the Protectorate, the work or professional relationship must be clearly articulated by means of a contract which clearly specifies the work or professional functions which will be remunerated. Such functions must be different from the ones of the position of trustee.

The post of Director is remunerated in the terms which are deemed appropriate to the nature and representativeness of the post and the functions which he or she is entrusted with.

The Director shall have all the attributions of management and representation that the Board of Trustees bestow on him or her in order for the Foundation to function better. It shall be the

particular responsibility of the Director to coordinate, promote and execute the agreements, plans and programmes determined by the Board of Trustees.

## **CHAPTER VII**

### **Statutory and structural modifications and dissolution**

#### Article 34. Statutory and structural modifications

The Board of Trustees has the power to, if it is agreed in accordance with article 27 of these statutes and the prevailing legislation, and prior calling of meeting, modify the statutes, agree on the merger, spin-off, dissolution or extinction of the Foundation, with the authorization of the Protectorate and in accordance with the prevailing legislation.

#### Article 35. Causes of dissolution

The Foundation shall be dissolved due to these causes:

- a) Complete fulfilment of the aim for which it was created or impossibility to fulfil its aim, except if its modification is deemed appropriate and the Board of Trustees agrees on its modification.
- b) Final court sentence which declares the criminal or civil illegality of its activities and aims.
- c) Opening of winding up period during insolvency.
- d) Other causes which are established by the law or these statutes.

#### Article 36. Dissolution procedures and allocation of assets

1. The dissolution of the Foundation must be decided by the Board of Trustees reasonably, and approved by the Protectorate. It entails the commencement of the liquidation process on the part of the Board of Trustees of the fixed assets and liabilities, or alternatively the assignee liquidators or, ultimately the Protectorate.

2. The sum of the assets resulting from the liquidation, which has to be approved by the Protectorate before its execution, are to be allocated by the Board of Trustees in favour of a non-foundation institution that pursues goals of general public interest similar to those of the Foundation and which is considered beneficiary of sponsorship, pursuant to Spanish Law

49/2002, of 23<sup>rd</sup> December, regarding the tax regime of non-profit organisations and tax incentives for sponsorship.

3. If on the date of the dissolution the Foundation is a holder of special funds, the allocation of the patrimony of such funds has to be determined in accordance with articles 334-7 of Law 4/2008 of 24<sup>th</sup> of April, of the third book of the Civil Code of Catalonia.