



**United Way España**

## **BYLAWS**

(TRANSLATED FROM ITS ORIGINAL IN SPANISH)

## TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b>	<b>2</b>
<b>CHAPTER I FOUNDATIONAL INSTITUTION</b>	<b>3</b>
<b>CHAPTER II OBJECT OF THE FOUNDATION</b>	<b>4</b>
<b>CHAPTER III BASIC REGULATIONS FOR THE APPLICATION OF RESOURCES TO FURTHER THE FOUNDATION'S GOALS AND TO IDENTIFY BENEFICIARIES.</b>	<b>5</b>
<b>CHAPTER IV FOUNDATION BOARD OF TRUSTEES</b>	<b>6</b>
SECTION TWO. THE BOARD OF TRUSTEES	7
SECTION THREE. DELEGATE BODIES	11
SECTION FOUR. THE CHAIRPERSON	12
SECTION FIVE. THE DEPUTY CHAIRPERSONS	12
SECTION SIX. THE SECRETARY AND DEPUTY SECRETARY	12
<b>CHAPTER V OTHER BODIES</b>	<b>13</b>
SECTION ONE. THE DIRECTOR	13
SECTION TWO. THE ADVISORY COUNCIL	13
<b>CHAPTER VI FINANCIAL REGIME</b>	<b>13</b>
<b>CHAPTER VII AMENDMENTS TO THE BYLAWS OF THE FOUNDATION</b>	<b>15</b>
<b>CHAPTER VIII MERGER OF THE FOUNDATION WITH OTHER FOUNDATIONS</b>	<b>15</b>
<b>CHAPTER IX DISSOLUTION OF THE FOUNDATION</b>	<b>15</b>

## CHAPTER I

### FOUNDATIONAL INSTITUTION

#### **Article 1. Name of country, nature, nationality, scope and address**

1. The **United Way España** Foundation (hereinafter the Foundation) is a non-profit organization whose assets are devoted to the fulfillment of the goals of general interest set out here in Article 5.
2. The Foundation is Spanish.
3. The Foundation shall mainly undertake its activities within the borders of Spain, notwithstanding, it may also undertake activities on an international scale, mainly in the USA, Latin America, the EU and other European countries.
4. The Foundation is based in Calle Serrano, No.17 - 3º izquierda, Madrid.
5. The Board of Trustees may transfer the Foundation's address to anywhere within the borders of Spain, through the pertinent modifications to its Bylaws and subsequently notifying the Commission. Likewise, and to better realize the goals of the Foundation, the Board of Trustees may open new offices and set up delegations in other cities in Spain or abroad.

#### **Article 2. Duration**

The Foundation has been constituted for an indefinite period of time. However, if at any time the Foundation's goals are deemed to have been met, or are considered to be unattainable, the Board of Trustees may agree to its dissolution as set out in Article 24 of these Bylaws.

#### **Article 3. Regulatory Framework**

The Foundation is governed by the wishes of the founder set out in the articles of association, these Bylaws, the norms and regulations that, in its interpretation and development, the Board of Trustees shall determine, and ultimately, by Law 50/2002, dated 26 December, on Foundations, and other regulations that develop it.

#### **Article 4. Legal Personality.**

The Foundation, following its registration that confers it legal personality, has full capacity to act.

Therefore, the Foundation may acquire, conserve, own, sell, transfer by any means and encumber all types of assets, personal or real property and rights. It may also carry out all types of legal acts and enter into contracts, settle and lodge all types of legal proceedings through government channels or in the courts of law, presenting any claims and defenses it sees fit to courts, tribunals and public and private bodies. All of the above are subject to the authorization of the Commission or the administrative procedures on communications and ratifications that must be presented to the Commission.

## CHAPTER II

### OBJECT OF THE FOUNDATION

#### **Article 5. Purpose and activities**

1. The Foundation pursues the following goals:
  - To improve the living conditions of people, particularly most disadvantaged segments of society, mainly through education, health education and financial training, in order to provide them with the quality of life required and the necessary training and resources to ensure a better future for themselves.
  - To foster participation as a way of solving community problems, through developing corporate social responsibility in corporations, bolstering civil society organizations and promoting public and corporate volunteering.
2. In order to better complete its goals, the Foundation may organize, or support the organization of, the following activities:
  - The funding of projects to further the goals of the Foundation.
  - The design and launch of projects and activities that enable it to progress in meeting its foundational goals.
  - Promoting individual and corporate volunteering.
  - Promoting and taking part in networks in Spain and abroad that include entities of any kind and that share the Foundation's objectives, or that may be of interest to it.
  - Holding seminars, courses, conventions and similar activities related directly or indirectly to the aims of the Foundation.
  - Promote and confer awards and acknowledgements to individuals or legal entities or any entity or institution for their work directly or indirectly related to the goals of the Foundation.
  - Provide advice to institutions, corporations or individuals or legal entities on the development of their activities and projects related to the goals of the Foundation.
  - Publish studies, reports and other types of publications that further the goals of the organization.
  - Develop its online presence through social media or any other type of means that serves to promote and inform about the Foundation or its activities and accomplishments.
  - Carry out all those subordinate or accessory tasks related to the Foundation's main activity, such as engaging services, acquiring and leasing property and real estate assets, or any other task necessary to meet its legally established mandate.
  - Carry out those financial activities required to meet its goals and acquire the necessary resources to do so.

- And, in general, carry out the necessary actions in order to better further its goals.

**Article 6.** *The furthering of the Foundation's goals may be carried out through some of the following means:*

- Promoting programs, projects and activities that serve to attain the Foundation's goals, in partnership with the resources or efforts of other entities, particularly corporations, bodies, institutions and individuals or legal entities that contribute to their launch or development.
- Directly by the Foundation, at its own facilities or those of other entities and with its own resources or in addition to those of third parties.
- Creating or cooperating in the creation of other associations, foundations or societies, in accordance with current legislation.
- By participating or collaborating in activities run by other entities, bodies, institutions or persons of any kind, legal and physical, that may further the goals of the Foundation in any way, in accordance with current legislation.

**CHAPTER III**

**BASIC REGULATIONS FOR THE APPLICATION OF RESOURCES TO FURTHER THE FOUNDATION'S GOALS AND TO IDENTIFY BENEFICIARIES.**

**Article 7.** *Assignment of income and profits*

1. At least 70 percent of the income from economic activities carried out and any other income must be related to the organization's mandate, deducting expenses incurred in obtaining said income, and dedicating the remaining income to increasing the provision or reserves, as determined by the Board of Trustees, in accordance with pertinent legislation.
2. This obligation must be complied with over a 4-year period starting from the year the returns have been obtained.

**Article 8.** *No legal requirement to allocate resources to cover goals in equal parts*

It shall be understood that the Foundation's resources shall be allocated without determining the proportion of cost for each foundational goal.

**Article 9.** *Selecting beneficiaries*

1. The Foundation's activities should benefit general collectives.
2. Whenever a group of beneficiaries is restricted, such as when awarding grants or funding projects, the Foundation shall principally serve the needs of those people who can benefit from the Foundation's goals, always complying with general criteria of impartiality and non-discrimination and merit and capabilities, notwithstanding territorial diversity criteria, the individual needs of beneficiaries, the order requests are received and other similar circumstances. The Board of Trustees may agree on specific requirements for each case and the composition of the selection body, its selection criteria, the requirements and the merits to be assessed.

3. No individual or group may claim any right from the Foundation or its Board of Trustees as to the enjoyment of any benefit prior to the concession of the same, nor impose such attribution to certain persons.

**Article 10.      *Publicity activities***

The Foundation will provide sufficient information on its goals and activities for them to be known by the final beneficiaries and other stakeholders.

**CHAPTER IV**

**FOUNDATION BOARD OF TRUSTEES**

**SECTION ONE. GENERAL REGULATIONS**

**Article 11.      *Nature of the Board of Trustees and that of trustee positions***

1. Governance, administration and representation of the Foundation are responsibilities of the Board of Trustees, who will hold and exercise the authority granted to it by law and these Bylaws. Its members must carry out their tasks and responsibilities with due diligence as loyal representatives.
2. Trustees shall be jointly and severally liable towards the Foundation for any loss or damage caused by actions contrary to the law or these Bylaws, or due to acting without the due diligence required by their position.
3. Those who voted against the agreement or who prove that they have not intervened in the adoption and execution of the same shall not be held responsible, neither will those who were unaware of the existence of such agreement nor those who, although aware of the existence of the same, took the necessary steps to prevent any harm or who at least expressly opposed it.
4. The trustees shall exercise their responsibilities with independence, without limitations or hindrances. Therefore, trustees are not obliged to bear in mind any criteria when adopting resolutions or agreements of any kind, other than those expressly provided in these Bylaws or those required by law.

**Article 12.      *The unpaid nature of the position of trustee and the system of recruiting trustees for the foundation.***

1. Trustees shall carry out their responsibilities free of charge and will not be paid any fee or salary for their work. However, they are entitled to reimbursement of duly substantiated expenses incurred when fulfilling any specific mission entrusted to them on behalf of the Foundation or in its interests.
2. Trustees may offer their services to the Foundation, either on their own behalf or that of third parties, having sought prior authorization from the Commission.

3. The Commission is entitled to set a suitable compensation for those trustees who provide the Foundation with different services other than those carried out as part of their responsibility as members of the Board, having sought prior authorization from the Commission.

#### SECTION TWO. THE BOARD OF TRUSTEES

##### **Article 13. Members**

1. The Board of Trustees shall be composed of a minimum of three and a maximum of twelve trustees. Within those limits, it shall be for the Board of Trustees itself to determine the correct number of members.
2. Members must have full capacity to act and must not have been disqualified from public office, or be involved in any incompatibility cause.
3. Legal entities may be members of the Board of Trustees by designating an individual or individuals to represent them and defining the order of replacement of representative if there are several.
4. Positions of trustees held by individuals must be carried out in person. However, they may act in their own name and on behalf of another trustee designated by them. This representation shall be for specific events and in accordance, where appropriate, with the written instructions provided by the person being represented.
5. The person who they are going to represent may act on behalf of the person designated called to act as trustee by virtue of the position he/she holds

##### **Article 14. Rules for the designation and substitution of its members**

1. The first Board of Trustees shall be designated in the Bylaws.  
The position of trustee shall have a duration of three years, and is restricted to a maximum of two consecutive terms.  
By way of exception, and in order to avoid having to renew the whole founding Board of Trustees, up to half of its members may hold office for a third term.
2. Members shall be renewed or appointed by the Board of Trustees registered with the corresponding Registry of Foundations, according to the provisions of these Bylaws in relation to adopting agreements, a decision that shall not fall to the affected trustees.
3. The trustee currently holding the position of Foundation Director may appoint new members to the Board of Trustees.

##### **Article 15. Positions of the Board of Trustees**

1. The Board of Trustees shall elect the Chairperson from among its members for a two-year mandate, notwithstanding subsequent renovations.
2. The Board of Trustees may elect one or more Deputy Chairpersons from among its members to act in substitution of the Chairperson in case of absence or illness. Deputy Chairpersons

have a two-year mandate, notwithstanding successive appointments. The Board of Trustees may create other positions with the same conditions and different responsibilities.

3. Furthermore, the Board of Trustees should designate a Secretary, who may or not be a trustee. If the Secretary is not a trustee he/she shall have speaking but not voting rights on the Board of Trustees.
4. The Board of Trustees may appoint a Deputy Secretary, who is not required to be a trustee, to assist the Secretary and act in his or her stead when necessary.
5. When any of the previously mentioned cease to be trustees they shall be relieved of their position, except for the Secretary, who may continue as a non-trustee secretary, subject to the decision of the Board of Trustees.
6. The Board of Trustees shall have the right, by a resolution adopted by the majority, to revoke any of the appointments mentioned in this article, without this agreement implying the termination of the trustee, said revocation will only occur due to the causes outlined in these Bylaws.

**Article 16. Acceptance of trustees and positions on the board**

1. Trustees shall accept the position on the board through a public document, a private document signed before a notary, or in-person at the Registry of Foundations. Furthermore, it is possible to accept the position before the Board of Trustees by a certificate issued by the Secretary, signed before a notary.

The acceptance of membership to the Board of Trustees by legal entities shall be carried out by the body empowered to do so, who shall designate an individual to represent them before the Board, in accordance with the provisions included in these Bylaws. The Board of Trustees and Registry of Foundations shall be duly notified of the appointment of representatives.

2. In any event, the appointment and acceptance, renewal, substitution or termination for any reason of members of the Board of Trustees or positions pertaining to it, shall be notified to the Board and registered at the Registry of Foundations.

The formal acceptance made by designated trustees to the Registry of Foundations shall include the identity of the person who is to replace them in the position.

**Article 17. Removal of trustees**

The removal of Foundation trustees may occur in the following circumstances: in accordance with the provisions of Article 18 of Law 50/2002:

- a. In the case of death, or a declaration of death, in addition to the extinction of the legal entity.
- b. In the case of impediment, disqualification or incompatibility in accordance with the regulations established by law.
- c. Due to the fact that position they were appointed to by the trustees ceases to exist.
- d. Due to the breach of their responsibilities with due diligence according to the legislation in force, or by court ruling.



- e. Due to a legal ruling pertaining to acts of responsibility envisaged under current legislation.
- f. If Foundation has not been registered in the corresponding Foundation Registry within a six-month period since the execution on the deed of incorporation.
- g. Due to their mandate having expired if they were appointed for a specific period of time.
- h. Due to resignation, that may be presented by any of the means outlined above for the formal acceptance.
- i. If a trustee is considered unsuitable to carry out the responsibilities required of them due to circumstances that may damage the Foundation's image or activities.
- j. If a trustee is repeatedly absent from Board meetings. Trustees will be removed from the Board of Trustees if they miss four or more meetings consecutively without good reason, if a majority decision is reached by the rest of the Board.

**Article 18. Powers and duties**

The Board of Trustees shall have full control and management over the governance and administration of the Foundation.

The powers and duties of the board of trustees, include but are not limited to, the following, notwithstanding the required authorizations and notifications to the Commission, in accordance to legislation:

- a. To exercise the senior management, supervision, oversight and provide guidance on the work of the Foundation.
- b. To interpret and develop, if required, appropriate complementary legislation to the founding Bylaws and to adopt resolutions on amendments to the same, provided that are appropriate to the interests of the Foundation and to better achieve its goals.
- c. To lay down the general lines of action or functioning in special cases.
- d. To appointment of persons with general or special powers.
- e. To appoint and empower the Foundation Director.
- f. To approve the beneficiaries of the Foundation's activities.
- g. To approve the action plan, the corresponding yearly report, and the balance sheet and profit and loss account to be presented to the Commission.
- h. To change the Foundation's address, by amending the Bylaws and subsequently notifying the Commission and agreeing to open or close its delegation.
- i. To adopt resolutions on the merger or termination of the Foundation if its objectives are considered unattainable.
- j. To delegate powers to one or more trustees, unless this breaches current legislation. It may also create any commissions it requires necessary from among its members, granting it the powers it deems necessary, within the limits expressed herein. The powers outlined in the sections a, b, c, e and t of this article may not be delegated.

- k. To agree on the acquisition, sale and encumbrance - including mortgages, liens, antichresis - of assets or real estate for or by the Foundation, entering into the required contracts.
- l. To accept acquisitions of assets or rights on behalf of the Foundation or for the attainment of one of its goals, providing that it is freely considered that the nature and sum of the assets or rights acquired is suitable or sufficient to meet the objective that the rights, assets, profits or returns is to allocated to.
- m. To undertake financial operation with all types of public or private entities, including loans and credit lines.
- n. To make decisions on the acquisition and sale of real estate assets belonging to the Foundation.
- o. To charge and collect rents, profits, dividends, interests, earnings and any other products or profits from the assets pertaining to the Foundation, and any sum owned to it by any individuals or legal entities.
- p. To exercise the political and economic rights corresponding to the Foundation as holder of shares and other securities belonging to it and therefore attend, discuss and vote, as it deems convenient, through an agreed upon representative in General Shareholders Meetings, Assemblies, Associations and other bodies of the respective corporations or issuing bodies, making use of all the legal rights attributed to holders, settling, awarding or entering into acts, contracts, agreements, proposals and documents as is deems appropriate.
- q. To make the necessary payments, including called-up share capital and expenses required to collect, administer and protect the funds that the Foundation has at its disposal at any given time.
- r. To agree on works it considers necessary for the Foundation's goals and engage the services and supply of goods of all kinds, of any quality and significance, being free to employ any procedures to this aim, both by acquiring them directly or by auction or tender, without requiring any prior authorization.
- s. To exercise all the rights, actions and exceptions, undertaking any formalities, application, incident and recourse to any procedures, files, claims and court proceedings that are assigned or interest the Foundation and granting any powers deemed appropriate, including proceedings to answer interrogatories and retrials and reviews.
- t. To agree on the approval of codes of good governance and internal regulations it deems appropriate, including the code of ethics and conduct for temporary financial investments.
- u. To exercise, in general, all rights to sale, management, conservation, custody and defense of the Foundation's assets, both in and out of court.
- v. In general, any other role or responsibility that should be assumed by the Foundation's administration or governing body, subject to legal requirements.

- w. The execution of agreements falls to the Chairperson, without prejudice to these agreements being designated expressly to one or more other trustees.

**Article 19. Meetings and passing resolutions**

1. The Board of Trustees shall meet at least twice a year and, as many times as meetings are convened by the Chairperson or when meetings are requested by, at least, a third of board members.
2. The call for meetings, including the agenda, place, date and time of the meeting, shall be sent in writing by the Secretary and usually 15 days in advance. The minimum period of time for meeting calls may be shortened for urgent matters

Calls for meetings should be sent individually to each of the trustees by any means, digital, electronic or telematic.

It shall not be necessary to send a call for a meeting if all the trustees, being present, decide unanimously to hold a board meeting and agree on an agenda.

3. Board of Trustees meetings may be held via multi conference call, video conference or any similar system, with one or all of the trustees attending the meetings using this system, providing that real time communication between trustees is ensured.
4. The Board of Trustees will be considered to be in session when over half its members are present or send representatives, and when at least three are present, among which must be the Chairperson or Deputy Chairperson. Furthermore, the Secretary or Deputy Secretary must also be present, if these are not trustees, they shall not be taken into account in calculating the aforementioned conditions. The Secretary and Deputy Secretary, if unable to attend or are absent, may be substituted by a trustee designated by the Commission from among those present at the corresponding session.
5. Except for cases where by law or in accordance with the Bylaws another quorum is required, agreements shall be ratified by a simple majority of votes of the present or represented trustees, understood to be when the votes for are greater than those against. If there is no clear majority, the Chairperson or Deputy Chairperson shall have the deciding vote.
6. The Secretary shall take the meeting minutes, ratified by the Chairperson. The minutes shall be approved at the meeting or the following meeting of the Board of Trustees or by two auditors named by the Board of Trustees from among those present.

**SECTION THREE. DELEGATE BODIES**

**Article 20. Executive Committee**

1. The Board of Trustees may agree to set up an Executive Committee.
2. The Executive Committee acts through delegation of the Board of Trustees, resolving specific matters on its behalf and, in general, monitoring the Foundation's activities and reporting to the Board of Trustees.

3. The Executive Committee should meet at least four times a year.
4. The Executive Committee is made up of a maximum of five members: the Chairperson, the/a Deputy Chairperson, the Secretary, and the trustees appointed by the Board of Trustees. The Board of Trustees may modify the appointment of trustees making up the Executive Committee, except for the aforementioned positions, over the course of its mandate.

Certain trustees may be called to attend Executive Committee meetings by the Chairperson, with speaking but not voting rights, due to their particular knowledge or experience on the matters being discussed.

5. The Executive Committee shall be called by the Secretary, on request of the Chairperson, at least ten days in advance and meeting minutes shall be taken by the Secretary, subject to approval by the Chairperson. Minutes shall be ratified in the following meeting, or by two auditors appointed by the Executive Committee from among those members present at the meeting at the Chairperson's proposal.
6. Executive Committee members may name another Committee member to represent them, in writing and for each individual meeting.
7. In order for the Executive Committee to be deemed in session, at least half its members must be present, providing that among these are the Chairperson and the/a Deputy Chairperson and the Secretary or Deputy Secretary. The Secretary and Deputy Secretary, if unable to attend or are absent, may be substituted by a trustee designated by the Board of Trustees from among those present at the corresponding session.
8. Resolutions shall be passed in the same manner as for the Board of Trustees, in application of that set out in article 20.3 of these Bylaws.
9. In urgent cases, the Executive Committee may pass resolutions without the need to hold a meeting, on specific proposals sent by the Chairperson in writing and to which the members of the Committee must also respond in writing within forty eight hours of reception.
10. The Executive Committee shall report on its resolutions to the Board of Trustees in the following meeting.

#### SECTION FOUR. THE CHAIRPERSON

##### **Article 21. Duties**

The Chairperson of the Board of Trustees shall:

- a. Agree on the call for the Board of Trustees meetings and set the agenda.
- b. Chair meetings and direct and moderate discussions, call for votes on resolutions and announce the results of the votes.
- c. Ensure that the resolutions passed in the Board of Trustees meetings are correctly acted on.
- d. Ensure compliance with the law and the Bylaws.
- e. Approve minutes of the meetings and certificate the resolutions of the Board of Trustees.
- f. Represent the Foundation in and out of court, providing the Board of Trustees does not expressly grant this power to another of its members.

- g. Prepare the annual accounts to be presented to the Board of Trustees for approval.
- h. Exercise any other power granted to him/her by law or by the Bylaws.

**SECTION FIVE. THE DEPUTY CHAIRPERSONS**

**Article 22. Duties**

If there is a vacancy due to the Chairperson being absent or unable to attend, his/her duties will be assumed by the sole or first Deputy Chairperson, and failing that, by the second or successive Deputy Chairpersons if they exist.

**SECTION SIX. THE SECRETARY AND DEPUTY SECRETARY**

**Article 23. Duties of the Secretary**

The Secretary of the Board of Trustees shall:

- a. Call meetings of the Board of Trustees by order of the Chairperson and summon the members of the Board.
- b. Attend meetings of the Board of Trustees, with full voting and speaking privileges, providing the position of Secretary is held by a trustee, and only speaking rights if it is not.
- c. Take the Foundation's documents in his/her custody and duly register the meeting's minutes in the Board of Trustees' minutes book.
- d. Issue certificates with the Chairperson's approval on resolutions adopted by the Board of Trustees.
- e. Any other duties or responsibilities inherent to the position of the Secretary or set forth in the Foundation's Bylaws.

**Article 24. Duties of the Deputy Secretary**

The Deputy Secretary shall assist the Secretary and provide substitution in case of absence or if the Secretary is unable to attend.

Unless the Board of Trustees decides against it, the Deputy Secretary shall be able to attend the Board of Trustee meetings and that of the Executive Committee to aid the Secretary in his/her tasks and in drafting the meeting minutes.

**CHAPTER V**

**OTHER BODIES**

**SECTION ONE. THE DIRECTOR**

**Article 25. Appointment and duties**

1. The Director is responsible for the executive and operational management of the Foundation. The Director shall be appointed by the Board of Trustees on the recommendation of the Chairperson, granting him/her the necessary powers to fulfil his/her responsibilities.
2. The Director's responsibilities include, without prejudice to those powers attributed to the Board of Trustees and the Executive Committee, executing the activities plan and managing the budget, as well as any other tasks assigned to him/her. Direct the technical services and manage the Foundation, appointing and dismissing personnel and setting compensation. In

order to complete these tasks he/she shall be assisted by the executive, administrative and management personnel required for the correct functioning of the Foundation.

3. The Director shall attend, with speaking but not voting rights, meetings held by the Board of Trustees and the Executive Committee.

#### SECTION TWO. THE ADVISORY COUNCIL

##### **Article 26. Appointment and duties**

1. The Chairperson shall recommend the appointment to the Advisory Council, following approval of the Board of Trustees, those individuals of particular academic, professional, cultural or social relevance, who due to their outstanding expertise are able to advise and assist the Foundation in technical and policy matters.
2. The Advisory Council shall be chaired by the Foundation's Chairperson and the Secretary shall be that of the Executive Committee.
3. The Advisory Council is not necessarily required to reach resolutions and its members shall serve voluntarily and not be compensated, however, they shall be reimbursed any duly substantiated expenses incurred while carry out their responsibilities.

#### CHAPTER VI FINANCIAL REGIME

##### **Article 27. Resources**

The resources of the Foundation are as follows:

- a. Initial endowment.
- b. The assets and rights that the Foundation has acquired or may acquire in the future and that are considered as endowments.

##### **Article 28. Assets**

The assets of the Foundation may be composed of all kinds of assets, rights and obligations that can be measured economically and located anywhere, and in particular, the following ones:

- a. Properties, which shall be registered, when appropriate, in the Property Register in the Foundation's name.
- b. Transferable securities, which shall be deposited in banks or savings institutions in the Foundation's name.
- c. Movable property, property rights, deposit receipts or any other supporting documents of the control, possession, use, enjoyment or any other right held by the Foundation.
- d. Libraries, archives and other assets of any kind that shall appear in its inventory.

##### **Article 29. Investment of assets of the Foundation**

1. The assets of the Foundation shall be invested in the most appropriate way in order to achieve the Foundation's objectives and to obtain returns such as interests, regular dividends, appreciations and other benefits or increase in equity.

2. Without prejudice to the administrative procedures related to authorization or communication that may apply, the Board of Trustees may, at all times, and as many times as necessary, in light of the economic situation, make the modifications that it deems necessary or appropriate in the investments of the assets of the Foundation.

**Article 30. Revenues and income**

Among others admitted by Law, the Foundation's revenues may originate from:

- a. Returns on its own assets.
- b. The sale of shares, bonds and other securities including the subscription rights on shares that the Foundation does not exercise.
- c. Any grants, donations, inheritances and legacies.
- d. Any amounts that the Foundation may receive for its services or activities.
- e. Any financial resources that the Foundation may obtain from any public or private entity, either in Spain or abroad.
- f. Any funds that have been raised and that can be used to fulfill the goals of the Foundation.
- g. Any other resources that the Foundation can obtain as the owner of the assets, such as intellectual or industrial property rights or other similar resources.

**Article 31. Assignment**

1. The assets and income of the Foundation shall be considered assigned and ascribed to the fulfillment of the goals of the Foundation.
2. In accordance with the general rule established in Article 8 of these Bylaws, the assignment of the Foundation's assets to the fulfillment of the general interest objectives set out in Article 5 of these Bylaws, has a joint and undivided nature, i.e. portions or quotas, equal or unequal, of the funding or income of the Foundation shall not be allocated to any individual goal. Accordingly, the Foundation cannot be compelled to divide or distribute any funds or income among the different goals pursued by the Foundation or to apply them to one or more specific objectives.

**Article 32. Accounts and action plan**

1. The Foundation must keep an adequate and orderly accounting of its activity that allows chronological oversight of the transactions carried out. To this end, the Foundation must keep a Daily Entry Book, an Inventory Book and Annual Accounts.
2. The annual accounts shall include the balance sheet, the profit and loss account and the annual report, which shall form a unit, and must be clearly written and present a faithful picture of the assets, the financial status and the results of the Foundation.

The report, in addition to completing, expanding and commenting on the information included in the balance sheet and profit and loss account, shall include the activities of the Foundation, the changes to the governing, management and representation bodies as well as the degree of compliance regarding the action plan, stating the resources used, their source and the number of beneficiaries in each of the different activities carried out, the agreements

reached, where appropriate, with other entities for this purpose, and the degree of compliance with the provisions contained in article 27 of Law 50/2002. In addition, the report shall include an inventory of assets.

3. The annual accounts shall be approved by the Board of Trustees within six months following the close of the financial year and shall be submitted to the Commission for consideration and verification within ten working days following approval.

Should the Foundation comply with the established legal requirements, the above mentioned documents shall be submitted for external audit and the auditor's report shall be sent to the Commission together with the annual account.

Also, the Board of Trustees may submit the annual accounts for external audit whenever they consider it appropriate.

4. Furthermore, during the last three months of each financial year, the Board of Trustees shall draw up and send the Commission an action plan indicating the goals and activities to be achieved during the following financial year.

**Article 33. Financial year**

The financial year of the Foundation shall commence on 1 January and conclude on 31 December each year.

**CHAPTER VII**

**AMENDMENTS TO THE BYLAWS OF THE FOUNDATION**

**Article 34. Adoption of a decision**

Provided they are beneficial for the interests of the Foundation, the Board of Trustees may agree to amend these Bylaws with a vote in favor of at least three quarters of the members of the Board of Trustees present or represented and in accordance with the procedures established by law.

**CHAPTER VIII**

**MERGER OF THE FOUNDATION WITH OTHER FOUNDATIONS**

**Article 35. Procedure and requirements**

The Board of Trustees of the Foundation may agree to merge with one or more other foundations. The merger agreement shall require a vote in favor of at least three quarters of the members of the Board of Trustees present or represented.

**CHAPTER IX**

**DISSOLUTION OF THE FOUNDATION**

**Article 36. Causes**

The Board of Trustees may agree to dissolve the Foundation should it deem that the Foundation objectives and goals have been achieved, or they are unattainable. In any case, the Foundation shall be dissolved for any other cause set down by law. The agreement to dissolve shall require a



vote in favor of at least three quarters of the members of the Board of Trustees present or represented and must be ratified by the Commission.

**Article 37. Liquidation and assignment of remaining assets**

1. The dissolution of the Foundation, except in the case of merger with another foundation, shall result in the opening of winding-up proceedings, which shall be carried out by the Board of Trustees as the Liquidation Committee and under the supervision of the Commission.
2. All assets and rights resulting from liquidation shall be allocated in its entirety to other foundations or private non-profit entities whose objectives are of general interest and whose assets, in turn and including in the event of dissolution, are dedicated to the fulfilment of those general interest goals, and that are also considered beneficiaries of patronage according to articles 16 to 25 of the Law 49/2002 on the tax regimen of non-profit entities and tax incentives for patronage, or public entities of a non-foundation nature whose objectives are of general interest.
3. The recipient or recipients of the remaining assets and rights shall be selected freely by the Board of Trustees.
4. The dissolution of the Foundation and the transfer of ownership of the assets resulting from the dissolution shall be registered in the corresponding Registries.