

# **FOUNDATION'S STATUTE**

## **Starak Family**

### **Chapter I General provisions**

#### **Article 1**

1. The Foundation under the legal name "Starak Family Foundation" hereinafter referred to as the "Foundation", established by: Jerzy Andrzej Starak, hereinafter referred to as the "Founder", by a notarial deed drawn up by Notary Public Małgorzata Brylewska - Iwańczyk of the Notary Public Office in Warsaw at Elektoralna 11, premises 7, on August 10, 2007, for repertory number 5401/2007, acting on the basis of the provisions of the Act of April 6, 1984 on foundations, the Act of April 24, 2003, on public benefit activities and volunteerism, and the provisions of this statute.
2. The Foundation will be granted the status of a public benefit organization after meeting the requirements set forth in Article 20 of the Act of April 24, 2003, on public benefit activities and charity work, and registration in this regard in the National Court Register.

#### **Article 2**

The seat of the Foundation is the city of Warsaw.

#### **Article 3**

1. The area of operation of the Foundation is the area of the Republic of Poland, it can pursue its objectives also outside its borders.
2. Supervision of the Foundation is vested in the Minister of Education and the Minister of Social Affairs.

#### **Article 4**

The Foundation, in the implementation of its objectives, cooperates with local government units, legal entities, individuals and government administration authorities.

#### **Article 5**

The Foundation shall use its own graphic sign and logo, the designs of which shall be determined by the Foundation Council by resolution.

### **Chapter II Objectives and principles of the Foundation**

#### **Article 6**

The purpose of the Foundation is to carry out all activities aimed at the comprehensive development of the youth of the Republic of Poland, by providing them with access to the latest

achievements of science, technology, culture and economy, as well as activation of various groups of young people, in social and professional life, as well as activities to improve health and develop preventive health care, fight against eating disorders, promote healthy lifestyles and nutrition, support traditional methods of food production and processing and the promotion of sports. In addition, the Foundation works to protect and promote the Polish natural environment, landscape and historical and cultural resources, and the popularization and development of the production of local and regional products and the professional activation of the local population. In particular, the objectives of the Foundation include:

- 1) enabling the education of gifted children and young people in renowned educational centers at home and abroad;
- 2) supporting activities for the implementation of the state's educational and educational-cultural policy,
- 3) to activate youth professionally and mobilize young people to take an active part in the country's development process;
- 4) dissemination and exchange of information on youth activation initiatives,
- 5) promotion of regional traditions and products and development of various forms of tourism in the Polish area,
- 6) improving quality of life by promoting healthy eating habits and sports,
- 7) protection of the environment and natural resources and the development of environmental education,
- 8) preservation of cultural values and increase in awareness of cultural heritage, including in particular, but not exclusively, taking action to protect and enable wide access to the value of cultural heritage and its values, including taking promotional activities for Polish culture and art outside the country,
- 9) fostering contacts and information exchange related to initiatives to implement healthy eating habits at regional, national and international levels,
- 10) taking other measures for health prevention, educational and cultural development among Polish children and young people.

#### **Article 7**

1. The Foundation pursues its objectives free of charge, in particular through:
  - 1) organizing and financing:
    - a) projects of an informative or training nature, including seminars, trainings, conferences and competitions,
    - b) advertising, promotion, information and printing activities, including:
    - c) development and printing of brochures, folders, posters,
    - d) development and distribution of audiovisual materials,

- e) website development,
  - 2) creating scholarship funds and awarding supporting scholarships - cultural, scientific, social, sports,
  - 3) organizing promotional events for young talents, as well as other activities to help young people achieve self-fulfillment in society,
  - 4) financing the participation of individuals in seminars, trainings, conferences and competitions organized by other entities, if this leads to the realization of the objectives of the Foundation,
  - 5) organizing or financing courses and training for young people in innovative fields for young people to learn about new fields and achievements in science, technology, culture, art and the economy,
  - 6) organizing cultural events such as festivals, fairs, shows and exhibitions to promote the region and its cultural identity,
  - 7) youth career development initiatives,
  - 8) creating incentives for Polish employers to hire graduates.
- 2. cooperation and exchange of experience with public institutions and non-governmental organizations working in the field covered by the Foundation's objective at the national and international levels,
  - 3. carrying out other activities aimed at achieving the objectives of the Foundation.

### **Chapter III**

#### **Assets and income of the Foundation**

#### **Article 8**

The Foundation's assets consist of a Initial capital fund in amount of PLN 5,000,000 (five million), as well as funds, real estate and movable property acquired by the Foundation in the course of its activities.

#### **Article 9**

The Foundation is liable for its obligations with all its assets.

#### **Article 10**

- 1. The Foundation's income comes in particular from:
  - 1) donations, inheritances and bequests,
  - 2) subsidies and grants,
  - 3) income from collections and public events,

- 4) income from movable and immovable property and property rights,
  - 5) interest on equity deposits,
  - 6) income from business activities.
2. The use of donations, bequests and legacies should be in accordance with the will of the donors and testators, if this does not violate applicable laws and the provisions of the Statute of the Foundation.

### **Article 11**

1. The Foundation may carry out business activities in the country and abroad, either directly or through organizational units separated by resolution of the Board of Directors, in accordance with applicable regulations in the dimensions to achieve its statutory objectives. Business activities are subservient to the statutory activities, which means that the Foundation does not operate for profit, and the income from business activities is used to carry out statutory activities. For the purpose of starting economic activity, the amount of PLN 100,000 is allocated. (in words: one hundred thousand zlotys), which may be increased by resolution of the Board of Directors of the Foundation. The Foundation may conduct business activities in the following scope defined in accordance with the Polish Classification of Activities:

- service activities related to the preparation of printing (18.13.Z);
- retail sales of books in specialized stores (47.61.Z);
- book publishing (58.11.Z),
- publishing of magazines and other periodicals (58.14.Z),
- other publishing activities (58.19.Z),
- rental and management of owned or leased real estate (68.20.Z),
- activities related to the organization of trade fairs, exhibitions and congresses (82.30.Z),
- operation of tourist accommodation facilities and short-term accommodation (55.20.Z),
- other lodging (55.90.Z),
- preparation of food for external customers (catering) and other food service activities (56.2),
- preparing and serving beverages (56.3),
- activities supporting education (85.6),
- activities of cultural facilities (90.04.Z),
- activities of museums (91.02.Z).

2. The Foundation's income is used exclusively for the realization of its statutory purposes and to cover the necessary costs of the Foundation's activities.
3. The assets of the Foundation may not be used to secure obligations or grant loans to members of its organs or employees, or to persons with whom the members of the organs or employees are married or in a relationship of consanguinity or affinity in a direct line, consanguinity or affinity in the collateral line to the second degree, or are related by adoption, guardianship or custody, hereinafter referred to as "related persons".
4. The assets of the Foundation may not be transferred for the benefit of members of its organs or employees and persons close to the members of its organs or employees on principles other than in relation to third parties, in particular, if the transfer is made free of charge or on preferential terms.
5. The assets of the Foundation may not be used for the benefit of members of its organs or employees, or persons close to the members of its organs or employees on principles other than in relation to third parties, unless this use directly results from the statutory purpose of the organization.
6. The assets of the Foundation may not be used to purchase goods or services on a special basis from entities in which members of its organs or employees and persons close to members of its organs or employees participate.

#### **Chapter IV Foundation Authorities**

##### **Article 12**

1. The authorities of the Foundation are:
  - 1) Foundation Council,
  - 2) Foundation Board of Directors.
2. Resolutions of the Foundation's Authorities shall be passed by a simple majority of votes in the presence of at least half of the members, unless this Statute or the rules of procedure applicable to the respective body, adopted in accordance with the provisions of this Statute, provide for a different manner of passing a resolution.

#### **Chapter IVa. Foundation Council**

##### **Article 13**

1. The Foundation Council consists of 3 (three) to 8 (eight) people.
2. By virtue of the Statute of the Foundation Council is composed of the Founder and natural or legal persons selected by the Founder. The Founder may indicate the composition of the Foundation Council by his proxy.

3. Legal entities are represented in the Foundation Council by persons authorized to such representation under separate provisions of law.
4. The Foundation Council elects from among its members the Chairman of the Council and the Deputy Chairman of the Council. In the situation when the Council consists of the Founder, he is the Chairman of the Council. The Deputy Chairman of the Council is a person appointed by the Founder from among the members of the Council.
5. The Foundation Council may adopt resolutions in writing or by means of direct remote communication, provided that all members of the Council have been notified of the content of the draft resolution or have agreed to vote in writing.
6. The detailed procedure of the Foundation Council may be specified in the "Regulations of the Foundation Council".
7. Foundation Council Members:
  - 1) may not be members of the Foundation's Board of Directors,
  - 2) must not have been convicted of a crime of willful misconduct by a final judgment,
  - 3) for performing the functions of a member of the Council of the Foundation and for attending meetings, members of the Council of the Foundation do not receive remuneration,
  - 4) the Founder, prior to the appointment of the members of the Foundation Council, will collect from the candidates statements that these persons meet the requirements set forth in items. 1 and 2, and after appointing the members of the Foundation Council, he will forward, the statements submitted by them to the Foundation's Board of Directors.

#### **Article 14**

The work of the Foundation Council is managed and represented externally and to the Foundation Board of Directors by the Chairman of the Foundation Council.

#### **Article 15**

1. Members of the Foundation Council are appointed for an indefinite period.
2. Termination of membership in the Foundation Council shall occur upon the occurrence of one or more of the following events: (i) dismissal of a member of the Foundation Council by the Founder, (ii) failure of a member of the Foundation Council to meet the requirement specified in Article 13, paragraph 7, items. 1 and 2 of the Statute of the Foundation, (iii) submission of a resignation from the function, or (iv) death of a member of the Foundation Council.
3. After the Founder's death:
  - (a) The dismissal of members of the Foundation Council may take place only for important reasons, in particular, the actions of a member of the Foundation Council to the detriment of the Foundation or the loss of full legal capacity, on the

basis of a resolution adopted by a 3/4 majority of the remaining members of the Foundation Council.

- (b) Appointment of new members of the Foundation Council shall be made by co-option on the basis of a resolution passed by a majority of the Foundation Council members, subject to the following rules: (i) at least one member of the Foundation Council with 3 members, or two members of the Foundation Council with four or more members, should be a blood descendant of the Founder in a direct line, having full legal capacity, meeting the requirements set forth in Article 13, paragraph 7, items. 1 and 2 of the Statute of the Foundation, (ii) in the event that an adequate number of descendants by blood of the Founder in a direct line meeting the requirements specified in subsection (i) above cannot be appointed to the Foundation's Council, due to their absence or refusal to serve on the Foundation's Council, a Swiss foundation established by the Founder, "Starak Stiftung, Fondation Starak Fondazione Starak, should be appointed to the Foundation's Council."

#### **Article 16**

1. The Foundation Council is a control and supervisory authority, separate from the governing body and not subordinate to it in the exercise of internal control or supervision, and has powers of initiative and opinion.
2. The tasks of the Foundation Council include, in particular:
  - 1) appointing and dismissing members of the Foundation's Board of Directors, including the President,
  - 2) appointing an attorney to enter into contracts with members of the Foundation's Board of Directors,
  - 3) setting the main directions of the Foundation,
  - 4) approval of the Foundation's action programs developed by the Foundation's Board of Directors,
  - 5) adoption of amendments to the Statute of the Foundation,
  - 6) setting directional guidelines for the Foundation's Board of Directors on how to distribute the funds collected,
  - 7) evaluating the proper use of the Foundation's assets and funds,
  - 8) evaluation of the Foundation's Board of Directors annual reports on the Foundation's activities,
  - 9) adopt and amend the Regulations of the Foundation Council and approve the proposed Regulations of the Foundation's Board of Directors and its amendments,

- 10) adoption of resolutions on the merger or liquidation of the Foundation, and on the establishment of a branch of the Foundation,
- 11) determining the salaries of members of the Foundation's Board of Directors and guidelines for the salaries of the Foundation's employees and other persons cooperating with the Foundation on the basis of civil-law contracts,
- 12) expressing opinions on matters submitted to it by the Foundation's Board of Directors.

**Chapter IVb  
Foundation Board of Directors**

**Article 17**

1. The Foundation's Board of Directors consists of 1 (one) to 3 (three) members, including the President appointed and dismissed by the Foundation Council. The first composition of the Foundation's Board of Directors is appointed by the Founder or a person authorized by the Founder.
2. Board members are appointed for an indefinite period.
3. Membership in the Board of Directors shall cease upon the resignation or death of a member of the Board of Directors, or his dismissal.

**Article 18**

1. The Board of Directors of the Foundation manages its activities and represents the Foundation to the outside world.
2. The President of the Foundation's Board of Directors acting alone or two Board members acting jointly are authorized to represent the Foundation.
3. The detailed procedure of the Board of Directors is defined in the "Regulations of the Board of Directors of the Foundation".

**Article 19**

The powers of the Board of Directors of the Foundation include:

- 1) directing the day-to-day operations of the Foundation and representing it externally,
- 2) management of the assets and funds of the Foundation,
- 3) determining the size of the human resources,
- 4) within the guidelines of the Council of the Foundation to determine the principles of remuneration, the amount of funds for remuneration and awards for the Foundation's employees and persons cooperating with the Foundation on the basis of civil law contracts,
- 5) adoption of annual and multi-year programs of the Foundation, based on the assumptions adopted by the Foundation Council,



- 6) implementation of the Foundation's action programs,
- 7) preparing the annual financial statements of the Foundation required by accounting regulations and the annual report on the Foundation's activities in accordance with the Law on Foundations and the Law on Public Benefit Activity, and then submitting them to the Foundation Council for consideration and making the report public by publishing it on the Foundation's website,
- 8) implementation of special decisions of donors, insofar as they do not contradict the objectives of the Foundation or the provisions of this Foundation Statute,
- 9) adoption of regulations and internal acts not provided by the Statute for the competence of the Foundation Council,
- 10) making proposals on amendments to the Foundation Statute, merger, establishment of a branch of the Foundation or liquidation of the Foundation.

#### **Article 20**

The Board of Directors is responsible to the Foundation Council for the implementation of the statutory objectives of the Foundation and for the correctness and advisability (rationality) of the activities undertaken by the Foundation.

### **Chapter V**

#### **Amendment of the Statute of the Foundation**

#### **Article 21**

Amendments to the Statute of the Foundation, and within this framework to change the purpose of the Foundation, may be made by resolution of the Foundation Council adopted by a 2/3 majority vote.

### **Chapter VI**

#### **Liquidation of the Foundation**

#### **Article 22**

1. The liquidation of the Foundation may be carried out by a unanimous resolution of all members of the Foundation's Council in the event that the purpose for which the Foundation was established is achieved or if the Foundation's funds and assets are exhausted.
2. The opening of liquidation shall take place on the date of adoption by the Foundation Council of a resolution to liquidate the Foundation.
3. Liquidation shall be conducted under the name of the Foundation with the addition of the designation "in liquidation".

4. During the liquidation process, the Foundation retains its legal personality.
5. The assets remaining after the liquidation of the Foundation will be transferred to a foundation or association whose goals coincide with those served by the Foundation.

#### **Article 23**

1. The liquidators are members of the Board of Directors, unless a resolution of the Foundation Council provides otherwise.
2. Liquidators may be dismissed at any time by resolution of the Foundation Council.
3. The liquidators represent the Foundation independently.
4. Liquidators have the right to conduct the affairs of the Foundation, are obliged to comply with the resolutions of the Foundation Council.

#### **Article 24**

1. The liquidators should announce the opening of liquidation, calling on creditors to report claims within three months of the announcement.
2. The liquidators shall prepare an opening balance sheet for liquidation, which they shall submit to the Foundation Council for approval.
3. Liquidators should submit a report on their activities and a financial statement to the Foundation Council after the end of each fiscal year. The liquidation balance sheet should accept all assets at their marketable value.

#### **Article 25**

The liquidators should complete the current affairs of the Foundation, collect debts, fulfill obligations (liquidation activities), transfer assets remaining after liquidation in accordance with Article 22 paragraph 5 of the Statute of the Foundation. Upon completion of liquidation and after the Foundation Council approves the financial report as of the date of completion of liquidation (liquidation report), the liquidators should submit it to the registry court with simultaneous application for deletion of the Foundation from the register.

The liquidators shall notify the competent tax office of the dissolution of the Foundation, providing a copy of the liquidation report.

The books and documents of the dissolved Foundation should be given for safekeeping to the person designated in the resolution of the Foundation Council.

### **Chapter VII Final provisions**

#### **Article 26**

1. The Foundation's fiscal year coincides with the calendar year.
2. In case of doubts of interpretation, the applicable interpretation of the Statute shall be determined by the Foundation Council by resolution.
3. The statute enters into force on the date of adoption of the resolution on its adoption.
4. The magazine for official announcements of the Foundation is the "Court and Economic Monitor".

Warsaw, June 22, 2020.