

[Certified translation from Dutch]

jgr/993629

### **FORMATION OF A FOUNDATION**

On this eighteenth day of April in the year two thousand,  
appeared before me, Johan Werner Koch, a civil law notary practising at The Hague:  
Mr Jacobus Henricus Maria Grijmans, for the purposes hereof electing domicile at the  
offices of Koch Notarissen, at the address: Groot Hertoginnelaan 32a, 2517 EG The  
Hague (the Netherlands), born at Haarlem on the twenty-sixth day of July nineteen  
hundred and sixty-five,

for the purposes hereof acting as attorney-in-fact holding written authorization of:

1. Mr Alvaro Patricio Pinto Scholtbach, residing at 1019 WE Amsterdam, Stuurmankade 314, born at Viña del Mar (Chile) on the twenty-eighth day of February nineteen hundred and sixty-one (holder of a driving licence bearing the number 3160666563), married;
2. Mr Klaas Groenveld, residing at 2566 VG The Hague, Haanplein 17, born at Akkrum (municipality of Ultingeradeel) on the nineteenth day of February nineteen hundred and forty-nine (holder of a driving licence bearing the number 0085389581), married;
3. Mr Judocus Johannes Antonius Marcus van Gennip, residing at 2596 AR The Hague, Jozef Israelslaan 38, born at Eindhoven on the sixth day of January nineteen hundred and thirty-nine (holder of a driving licence bearing the number 3121488371), married;
4. Mr Michel Christian Johan Groothuizen, residing at 3701 BJ Zeist, Wilhelminalaan 2, born at Rotterdam on the fourth day of January nineteen hundred and sixty-two (holder of a passport bearing the number Z00233234), married;
5. Mr Samuel Richard Pomes, residing at 9406 KS Assen, Hunebedstraat 3, born at Medemblik on the twenty-ninth day of May nineteen hundred and fifty-four (holder of a passport bearing the number N29528594), married;
6. Mr Willem Haitsma, residing at 8861 JJ Harlingen, Midlumerlaan 79, born at Barradeel on the second day of November nineteen hundred and thirty-nine (holder of a passport bearing the number N60978598), married;
7. Mr Christiaan Samuel Leendert Janse, residing at 7325 RE Apeldoorn, Houttuinen Noord 19, born at Ede on the thirtieth day of July nineteen hundred and forty-three (holder of a passport bearing the number N82470543), married;

8. Mr Roel Kuiper, residing at 3771 JG Barneveld, Wijnbergenlaan 19, born at Hardenberg on the fifth day of April nineteen hundred and sixty-two (holder of a driving licence bearing the number 3012889972), married;

the aforesaid principals of the person appearing shall hereinafter also be referred to jointly as: 'the Founders';

the written powers of attorney granted to the person appearing are evidenced by eight non-notarial instruments which shall be attached to the present deed.

The person appearing, acting in his aforesaid capacity, declared that by this deed the Founders form a foundation under Netherlands law, for which they adopt the following Constitution:

### **Name and Seat**

#### **Article 1**

1. The name of the Foundation is: **Stichting Netherlands Institute for Multiparty Democracy**.

The Foundation may also use the name: **Nederlands Instituut voor Meerpartijendemocratie**.

The abbreviated name of the Foundation shall be: **I.M.D.**

2. The Foundation shall have its seat in the City of The Hague.

### **Objects**

#### **Article 2a**

The objects of the Foundation are: to support the democratization process in young democracies by strengthening political parties / political groupings as the backbone of a democracy, so as to ensure the establishment of an effective, sustainable, pluralistic and multi-party political system.

The Foundation shall endeavour to achieve its objects by supporting and/or funding initiatives (projects) instigated by political parties / political groupings in young democracies, aimed at enhancing the capacity of the political parties / political groupings in question.

Furthermore, the Foundation shall do anything directly or indirectly conducive to the achievement of the Foundation's objects.

### **Activities**

#### **Article 2b**

A separate decision per country shall be taken by the Board of Trustees, in consultation with the Supervisory Committee, about the activities to be performed in a particular country such country and about the way in which they are to be performed. In preparation for this decision-making, an investigation shall be carried out into the opportunities to perform activities in the country in question. The number of countries where such investigations are carried out or where activities are commenced shall be geared to the administrative and executive capability of the Foundation.

## **Financial resources**

### **Article 3**

The financial resources of the Foundation shall comprise:

- a. grants, subsidies and donations;
- b. gifts and assets inherited or received as a bequest or legacy;
- c. any other acquisitions and revenues.

## **The Foundation's constituent bodies**

### **Article 4**

The Foundation shall have the following constituent bodies:

- a. a Board of Trustees;
- b. a Supervisory Committee;
- c. an Executive Secretariat.

## **Board of Trustees**

### **Article 4a**

#### **Duties**

1. The Board of Trustees shall be charged with the management of the Foundation.

#### **Membership**

2. The Board of Trustees of the Foundation shall consist of one representative of each political party represented in the Lower House of the Dutch Parliament that is admitted by the Board of Trustees. These representatives (Trustees) shall be appointed and removed from office by the political party they represent. Trustees shall be appointed for an indefinite period.

On formation of the Foundation, the Board of Trustees shall consist of representatives of the following political parties:

- PvdA;
  - VVD;
  - CDA;
  - D'66;
  - Groen Links;
  - GPV;
  - SGP;
  - RPF.
3. The Chairman of the Board of Trustees shall be appointed by the Supervisory Committee on the basis of a list of binding nominations prepared by the Board of Trustees. The names of the candidates nominated by the Board of Trustees shall be announced in the notice convening the meeting of the Supervisory Committee.
  4. The Supervisory Committee can deprive any list of nominations of its binding character by a resolution adopted by a majority of at least two thirds of the votes

cast at a meeting at which at least two thirds of the members of the Supervisory Committee are represented.

5. The Chairman of the Board of Trustees may not, at the same time, be a representative of a political party on the Board of Trustees or the Supervisory Committee.
6. The Vice-Chairman, the Secretary and the Treasurer of the Board of Trustees shall be appointed by the Board of Trustees from its number.

### **Supervisory Committee**

#### **Article 4b**

##### **Duties**

1. The duties of the Supervisory Committee shall be:
  - to appoint the Chairman of the Board of Trustees and to remove the latter from office in accordance with the provisions of Article 4a of this Constitution;
  - to advise the Board of Trustees on the Foundation's policy programme to be drawn up by the Board of Trustees;
  - to act as an appeal body for all political parties / political groupings in the countries where the Foundation is active, but in respect of which the Foundation has decided not to provide support to such political parties / political groupings;
  - to give instructions to the auditor responsible for auditing the statement of income and expenditure.
2. The Supervisory Committee shall hold at least two meetings each year.

##### **Membership**

3. The Supervisory Committee shall consist of two representatives of each political party represented in the Lower House of the Dutch Parliament that is admitted by the Board of Trustees.

These representatives (Supervisory Committee Members) shall be appointed and removed from office by the political party they represent.
4. Members of the Supervisory Committee shall be appointed for an indefinite period.
5. The Supervisory Committee shall appoint its Chairman from its number and may remove its Chairman from office.

### **Executive Secretariat**

#### **Article 4c**

1. The Board of Trustees shall appoint the Executive Secretariat staff.

The Executive Secretariat staff shall comprise both the staff members residing in the Netherlands and the staff members residing in countries where the Foundation is active.

##### **Duties**

2. The Secretariat shall be responsible for:

- preparing the meetings of the Board of Trustees and the meetings of the Supervisory Committee;
- carrying out resolutions passed by the Board of Trustees;
- preparing and monitoring the proposals mentioned in Article 4b;
- liaising with donors;
- preparing the report(s) for subsidy-granting bodies;
- making minutes of the meetings of the Board of Trustees and meetings of the Supervisory Committee.

### **Other provisions**

#### **Article 4d**

1. Any vacancy arising on the Supervisory Committee or the Board of Trustees shall be filled by the political party in question within two months by the appointment of one or more successors.
2. The existence of one or more vacancies shall not affect the decision-making powers of the Supervisory Committee or the Board of Trustees.
3. Resolutions on admission as referred to hereinbefore in Articles 4a and 4b shall be passed by the Board of Trustees in the manner set out in Article 12, Paragraph 1; the political parties mentioned in this Article may secede from the Foundation of their own motion at any time by sending a letter to that effect to the Board of Trustees.
4. A member of the Board of Trustees may not, at the same time, be a member of the Supervisory Committee.

### **Meetings and resolutions**

#### **Article 5**

1. The notices convening a meeting of the Board of Trustees shall be sent by the Chairman of the Board of Trustees, no later than seven days in advance, not counting the day on which the notices are sent and the day on which the meeting is due to be held.
2. The meetings shall be chaired by the Chairman, and in his or her absence by the Vice-Chairman.  
In the absence of both the Chairman and the Vice-Chairman, the meeting shall appoint its own chairman.
3. At the meeting valid resolutions can be passed only if the majority of the serving members of the Board of Trustees are present at the meeting.
4. Resolutions may also be passed without holding a meeting, provided that all Trustees are given an opportunity to express their opinion in writing, by e-mail or by fax. Any such resolution shall be announced at the first subsequent meeting held after it has been passed.

5. If the decision-making process requires that a vote be taken and the Constitution does not prescribe a larger majority, resolutions shall be passed by an absolute majority of the valid votes cast.
6. The number of votes which a Trustee may cast, shall be determined on the basis of the number of seats held in the Dutch Lower House by the party in question represented by the Trustee, in accordance with the following formula:
  - a Trustee appointed by a political party holding one to ten seats shall have the right to cast one vote;
  - a Trustee appointed by a political party holding eleven to twenty seats shall have the right to cast two votes;
  - a Trustee appointed by a political party holding twenty-one to forty seats shall have the right to cast three votes;
  - a Trustee appointed by a political party holding more than forty seats shall have the right to cast four votes.
7. As a departure from the provisions of Paragraph 6, the Chairman of the Board of Trustees shall have one vote, with the proviso, however, that if the Chairman of the Board of Trustees is absent and the meeting has appointed its own chairman pursuant to the provisions of Paragraph 2 of this Article, the distribution of votes as defined in Paragraph 6 of this Article shall apply.
8. If, in the event of an election, no candidate secures an absolute majority, a second vote shall be taken or, if a list of binding nominations has been prepared, a second vote shall be taken between the nominees. If in such second vote no candidate secures an absolute majority of votes, revotes shall be taken, either until one candidate has secured an absolute majority of votes or until the vote is between two candidates and the votes are equally divided. The aforesaid revotes (not including the second vote) shall be held between the candidates voted on in the preceding vote with the exception of the candidate who secured the smallest number of votes in the preceding vote.

If in the preceding vote the smallest number of votes was secured by more than one candidate, lots shall be drawn to decide which of those candidates shall not go through to the next round.

If, in the event of a vote between two candidates, the votes are equally divided, lots shall be drawn to decide which of them has been elected.
9. If the votes regarding a motion not concerning persons are equally divided, the Chairman of the meeting shall give the casting vote.
10. All votes at the meeting shall be taken orally, unless the Chairman considers a ballot appropriate or one of the holders of voting rights so demands prior to the vote. Votes by ballot shall be taken by means of folded ballot papers.
11. Blank votes shall be deemed not to have been cast.

12. Any vote-related issues not provided for by the Constitution shall be decided by the Chairman.
13. The provisions of this Article 5 regarding convocations and the decision-making process shall apply by analogy to meetings held by the Supervisory Committee.

#### **Powers and representation**

##### **Article 6**

1. The Board of Trustees shall be entitled to decide to enter into agreements by which property subject to public registration is acquired, disposed of or encumbered.
2. The Board of Trustees shall not be entitled to decide to enter into agreements by which the Foundation binds itself as guarantor or as joint and several debtor, warrants performance by a third party or undertakes to provide security for a third-party debt.

##### **Article 7**

1. The Board of Trustees shall represent the Foundation.
2. Power to represent the Foundation shall also belong to the Chairman, acting in concert with another Trustee. In the absence of the Chairman, power to represent the Foundation shall belong to his substitute, acting in concert with another Trustee.
3. The Board of Trustees may grant power of attorney to one or more Trustees, as well as to third parties, to represent the Foundation within the confines of the power of attorney.

#### **Termination of membership of the Board of Trustees**

##### **Article 8**

In addition to the instances in which a Trustee is removed from office by the court in the cases mentioned in Section 298, subsection 1, Book 2 of the Netherlands Civil Code, a Trustee shall cease to hold office:

- a. if he or she dies;
- b. if he or she retires voluntarily;
- c. if he or she is removed from office by the national political party that has appointed the Trustee in question;
- d. if the political party that has appointed the Trustee in question secedes from the Foundation;
- e. if the political party that has appointed the Trustee in question is expelled.

#### **Financial year and annual statement of income and expenditure**

##### **Article 9**

1. The Foundation's financial year shall run concurrent with the calendar year.
2. The books of the Foundation shall be balanced at the end of each financial year.

#### **Standing rules / Descriptions / Procedures**

##### **Article 10**

1. The Board of Trustees shall be entitled, in consultation with the Supervisory Committee, to adopt standing rules, to provide descriptions of the accounting system and related internal controls and to establish procedures, in which matters are regulated that are not provided for by this Constitution.
2. Such standing rules, descriptions of the accounting system and related internal controls and procedures may not be in contravention of the law or this Constitution.
3. The Board of Trustees shall be entitled at any time, in consultation with the Supervisory Committee, to amend or repeal the standing rules, the descriptions of the accounting system and related internal controls and the procedures.

### **Supervisory Bodies / Advisory Committees**

#### **Article 11**

The Board of Trustees shall be entitled to set up one or more Supervisory Bodies and/or Advisory Committees to assist the Board of Trustees in the performance of its duties.

### **Amendments to the Constitution**

#### **Article 12**

1. The Board of Trustees shall have the right to amend this Constitution after consultation with the Supervisory Committee. A resolution to that effect shall be passed by a majority of at least two thirds of the votes cast at a meeting at which at least two thirds of the Trustees are present or represented.
2. Any amendment to the Constitution shall be effected by notarial deed, on pain of nullity.
3. The members of the Board of Trustees shall be required to lodge a certified copy of the amendment as well as a copy of the amended constitution with the offices of the Public Register kept by the Chamber of Commerce and Industry in whose area of jurisdiction the Foundation's seat is located.

### **Dissolution and liquidation**

#### **Article 13**

1. The Board of Trustees shall be entitled to dissolve the Foundation by a resolution passed in the manner specified in Article 12, paragraph 1, with respect to amendments to the Constitution.
2. The Foundation shall continue to exist after it has been dissolved, in so far as this is necessary for liquidation of its assets.  
The words 'in liquidatie' (in liquidation) must be added to the Foundation's name.
3. If the Foundation is dissolved pursuant to a resolution passed by the Board of Trustees, the Trustees shall act as liquidators of the assets of the dissolved Foundation. The said liquidators shall be subject to the provisions of the law and of this Constitution with regard to the appointment, suspension and removal from office of Trustees.



4. A liquidator shall have the same powers, duties and liability as a Trustee, in so far as these are compatible with his responsibility as liquidator.
5. The balance of the assets of the Foundation remaining after the creditors have been paid shall be appropriated by the liquidators to causes corresponding as far as possible with the objects of the Foundation or given to a charity to be specified by the liquidators; such balance shall be transferred to the person(s) and/or legal entity/entities in question.
6. On completion of the liquidation, the books and records shall remain in the custody of the person appointed for that purpose by the liquidators.

### **Final provisions**

#### **Article 14**

The Board of Trustees shall decide in all cases not provided for by the law and this Constitution.

In conclusion, the person appearing, acting in his aforesaid capacity in implementation of the provisions of Article 4b, declared that the following are appointed as the first Trustees of the Foundation:

- Mr A. Pinto Scholtbach, the principal named under 1, as Trustee;
- Mr K. Groenveld, the principal named under 2, as Trustee;
- Mr J.J.A.M. van Gennip, the principal named under 3, as Trustee;
- Mr M.C.J. Groothuizen, the principal named under 4, as Trustee;
- Mr S.R. Pormes, the principal named under 5, as Trustee;
- Mr R. Kuiper, the principal named under 6, as Trustee;
- Mr C.S.L. Janse, the principal named under 7, as Trustee;
- Mr W. Haitsma, the principal named under 8, as Trustee.

The person appearing is known to me, civil law notary, and his identity has been established by me, civil law notary, on the basis of the document mentioned hereinbefore and intended therefor.

IN WITNESS WHEREOF THE ABOVE CONSTITUTES LEGAL PUBLICATION. The original of this deed was executed at The Hague on the day and in the year first above written.

After the sum and substance of this deed had been stated to the person appearing and the contents thereof explained to him, he declared that he had taken cognizance of its contents in good time prior to its execution, that he did not require it to be read out in its entirety and that he agreed with its contents.

Thereupon this deed was signed, after a partial reading, by the person appearing and by myself, civil law notary.

(signed): J.H.M. Grijmans, J.W.M. Koch.