

Corporate Europe Observatory

Deed of formation

Ref. Mathieu van Grafhorst

On this day, Monday the thirteenth day of October one thousand, nine hundred and ninety-seven, appeared before me, Willem Mathieu van Grafhorst, civil-law notary in Utrecht:

Erik C Wesselius, biologist; who was born on the thirty-first day of January, one thousand, nine hundred and fifty-nine in Groningen; who is not married; who resides at: Westerkade 2l 3511 HB Utrecht; whose proof of identification is a passport, number 973006G.

He declared:

Today, I form the Corporate Europe Observatory Foundation; its articles are:

The name of the foundation

1. The foundation is called Stichting Corporate Europe Observatory.

The place of establishment

2. The foundation is established in Amsterdam.

The duration for which it has been formed

3. The foundation has been formed for an indefinite period.

The objective of the foundation

4.1 The foundation's objective is to increase general knowledge about the political and economic influence of transnational companies and financial institutions, and to formulate alternatives and policy proposals to limit these influences in order to contribute to a more democratic and socially and economically just society.

The foundation is primarily focussed on the situation in Europe and on activities by transnational companies and financial institutions whose home base is in Europe.

- 4.2. There is a non-profit objective.

The way in which the foundation aims to achieve its objective

5. The foundation endeavours to achieve this objective by:

- a. conducting research into the political and economic influence of transnational companies and financial institutions in Europe;

- b. providing information and issuing publications such as books, brochures, periodicals and electronic media;
- c. participating in and organising workshops, lectures, seminars, conferences, etc.;
- d. offering substantive support and advice to groups who contribute to achieving the foundation's objectives;
- e. all actions which are related to the above or which can promote it in the broadest sense.

Funds

6. The foundation's funds consist of:

- income received from subsidies, testamentary dispositions, specific legacies or donations;
- the results of its activities;
- income from its assets;
- any other revenue

6.2. The foundation will use all its funds for achieving its objective.

6.3 The foundation must ensure that its assets are managed properly.

The board.

7.1 The Foundation's board will consist of at least three persons.

7.2 The Board may at all times decide to have more board members; the board must take such a decision on a unanimous vote.

7.3 The board will appoint new board members; the board may only take such a decision with a majority of two thirds of the votes of all functioning board members.

7.4 If the number of board members falls below three, the board will continue to be competent, but must fill the vacancy or vacancies as soon as possible.

7.5 The members of the board will chose a chairperson, a secretary and a treasurer from amongst themselves; the position of chairperson may not be combined with another position.

The duration of the board

8. Board members will be appointed for a term of three years, after which they will be immediately eligible for reappointment.

8.2 Board members who are appointed to an interim vacancy will assume the same retirement date as their predecessor.

Suspension of a board member

9.1 The board may suspend a fellow board member; the board must take such a decision with a majority of two thirds of the votes in a meeting in which all board members except the member who is the subject of the decision are present or represented.

9.2 The suspended board member must be informed of the decision to suspend them by means of a registered letter.

9.3 If the decision for a suspension is not followed by a decision for dismissal within three months, the suspension will end.

Termination of board membership

10.1 Board membership will be terminated:

- by the expiry of the period for which the board member was appointed;
- by voluntary resignation;
- as a result of dismissal by the board
- if a board member is placed under guardianship or bankruptcy.

10.2 Resignations and dismissals must be made known by registered letter.

10.3 The board must take the decision to proceed to dismissal with a majority of two thirds of the votes in a meeting in which all board members except the member who is the subject of the decision are present or represented.

Board meetings & decision making

11.1 The board will gather if the chairperson or two other members wish, but in any case at least 4 times per year.

11.2 The board members must receive a written invitation to board meetings, observing a notice period of seven days, excluding the day of the invitation and that of the meeting; the person who calls the meeting must attach an agenda of the meeting to the invitation.

11.3 The board may only take a decision if at least two thirds of the board members are present or represented, unless the articles of association stipulate otherwise.

11.4 If the quorum of members required by the articles of association is not present at a board meeting, the board can call for a new meeting that must be held at least fourteen days and no more than twenty-eight days after the first meeting; in this second meeting, the board may vote on the same topics as those of the first meeting with a majority of three quarters of the number of votes, irrespective of the number of present or represented board members.

11.5 Unless the articles of association state otherwise, the board will take decisions with a normal majority vote; the proposal will be rejected if the votes are equally divided.

11.6. The board may also take decisions outside of meetings, but then all board members must declare the proposed board decision in writing; such a decision can only come into effect if it can be proven by letter, telegram, telex, telefax or another means of written communication.

11.7. In each meeting, the secretary or another member appointed by the board must take notes; the board must adopt these notes in the next meeting; the chairperson will sign them as proof.

Representation of the foundation and board members

12.1 The board represents the foundation, but the foundation may also be represented by two jointly acting board members.

12.2 In a board meeting, a board member may only represent and vote for one fellow board member; they must have written authorisation to do so.

12.3 The board may grant general or special power of attorney to one or more board members - but also to others - to represent the foundation.

Competence of the board

13. The board is authorised to enter into contracts to buy, dispose of or encumber property subject to registration, but is not authorised to form contracts whereby the foundation commits itself as surety or as a joint and several debtor, warrants performance for a third party or commits to providing security for the debt of a third party.

Accountancy & annual reports and accounts

14.1 The foundation's financial year coincides with the calendar year.

14.2 The board must adopt the financial statements of the previous year within six months after the end of each financial year.

14.3 The financial statements consist of a balance, a statement of income and expenditure.

Clarification of these documents

14.4 The financial accounts may be audited by an expert appointed by the board.

14.5 In the board meeting in which the financial statements are adopted, the secretary must produce a report about the foundation's activities in the previous year.

14.6 The treasurer must report on their management over the past year in the meeting; if the board adopts the financial statements, the treasurer will be discharged.

14.7 The board must keep financial statements for at least ten years.

Standing orders

15. The board may establish standing orders.

Changes to the articles of association & dissolution

16. The board may take a decision to change the articles of association or to merge or dissolve the foundation; the board may only take such a decision with a majority of at least two thirds of the number of votes in a meeting in which all board members are present or represented.

16.2 If the quorum referred to in the previous paragraph of this article is not present, the members of the board present at the meeting may decide to call a new meeting to be held at least fourteen days but no more than twenty eight days after the first meeting should have been held; in the second meeting the board may take a decision concerning changes to the articles of association, merger or dissolution with a majority of at least two thirds of the number of votes, irrespective of the number of present or represented board members.

16.3 If a meeting is called in which a proposal will be made concerning changes to the articles of association, merger or dissolution, an agenda containing the verbatim text of the proposed change or the proposal to merge or dissolve must be sent to the board members at least twenty one days before the meeting.

Settling the foundation's assets

17.1 After the decision to dissolve the foundation, the board must settle the foundation's assets as liquidator, unless the board has appointed others to do so.

17.2 Settlement must be made with due observance of the provisions stipulated in article 2:23 of the Dutch Civil Code.

17.3 The board must designate a use for any credit balance left after liquidation that corresponds to the foundation's objective as closely as possible.

17.4 After liquidation is complete, the financial statements and other documents of the dissolved foundation must be kept for at least ten years by a person appointed by the board; the keeper of the documents must report their duty to keep the documents with the Register of Foundations at the Chamber of Commerce within eight days of the completion of the liquidation.

18.1. The board will decide on all cases not provided for in these articles of association.

18.2. Everywhere where persons are referred to in the male form in these articles of association, this is intended to refer to both men and women without distinction.

General information about the foundation

The foundation's postal address is: postbus 92066, 1090 AB Amsterdam.

The first board consists of:

- the founder as chairperson;

- Secretary: Ann Elizabeth Doherty, born in Boston (Massachusetts) on the ninth day of December one thousand, nine hundred and sixty-four, residing at:

Prinseneiland 329, 1013 LP Amsterdam;

- Treasurer: Richard Olivier Hoedeman, born in Copenhagen on the twenty-first day of August, one thousand, nine hundred and sixty-seven, residing at: Kinkerstraat 388, 1053 GJ Amsterdam.

Conclusion of this deed of formation

This original of this deed was executed in Utrecht on the date that I stated in the beginning of this deed.

I established the identity of the person appearing by virtue of the aforesaid document, so that he is known to me. He declared that he had already seen a concept of this deed and did not require me to read it out in full. I once more explained the meaning of this deed to him and read it aloud in part; after this, we signed this deed.

AFTER SIGNATURE

ISSUED AS A TRUE COPY

by Williem Petrus Maria L J Brantjes, civil-law notary in Utrecht, as successor to Willem Mathieu van Grafhorst

