

**STATUTE
OF THE
FUNDACIÓN EDUCACIÓN PARA EL EMPLEO**

CHAPTER I
ESTABLISHMENT OF THE FOUNDATION

Article 1. *Denomination, nature, head office, legal form, nationality and area of operation*

1. The **FUNDACIÓN EDUCACIÓN PARA EL EMPLEO** is a private non-profit organization, whose patrimony shall be always and solely be used for the general purposes permitted under this Statute.
2. The registered office of the Foundation shall be established in calle Felipe IV, number 9, 1^odcha, postal district 28014, municipality of Madrid. The Board of Trustees can propose the change of the registered office, through the necessary statutory modification, with immediate notice to the Protectorado, following the legislation currently in force.
3. The Foundation will be subject to Law 50/2002, of 26 December, to its implementation measures and to further current legislation; to the will of the Founder, to this Statute and to the regulations and requirements that, interpreting and developing it, the Board will set.
4. The Foundation has Spanish nationality and it shall operate on the whole Spanish territory, although it shall be able to develop its actions abroad.

Article 2. *Legal status, commencement of the actions and duration*

1. The Foundation will have legal status starting with the registration of the public deed of its constitution in the corresponding Registry of Foundations, and in that moment when it will begin its actions.
2. The Foundation shall have unlimited duration. However, if in any moment the Foundation's own purposes could be considered achieved or impossible to realize, the Board of Trustees could agree on its dissolution in accordance with the provisions of the current legislation and of article 31 of this Statute.

CHAPTER II

OBJECTIVES AND BENEFICIARIES OF THE FOUNDATION

Article 3. *Objectives*

The general purposes of the Foundation are:

- a) To support the establishment of educational programs that generate jobs for young people;
- b) To foment economic development through education for employment, entrepreneurship and skills development programs.

In order to achieve its objectives, the Foundation will work in any country where there is such a need, with particular focus on Spain, the Middle East, and North Africa, as well as other developing countries in accordance with the principles and objectives of international development cooperation, established by Law 23/1998 of International Development Cooperation.

Article 4. Activities

In order to pursue the objectives stated in the previous article, the Foundation shall carry out the following activities:

1. Implementation of educational programs for youth employment, entrepreneurship and skills development.
2. Provide funding to or establish associations with other organizations to implement training programs for youth employment, entrepreneurship and skills development.

Article 5. Beneficiaries

1. The foundational aims are generically directed at all young people with limited opportunities, unemployed people, people at risk of exclusion and people who need to improve their skills, as well as at institutions with similar objectives that work with these groups.
2. The Board of Trustees, when determining the beneficiaries of the Foundation's activities, shall act with impartiality and non-discrimination, applying objective criteria of need, merit and capacity.

Article 6. Implementation of resources to achieve the objectives

The Foundation shall assign effectively the patrimony and its revenues for the achievement of its foundational purposes.

1. At least 70 percent of the results of the economical exploitation that will be developed or of any other income that will be obtained, shall be assigned to the accomplishment of the foundational objectives, within the terms of the current legislation, while the rest shall be assign to the increase of

its endowment or the reserves according to the Board of Trustees.

2. This obligation must be met between the beginning of the year in which the income has been obtained and the four years following the closure of that fiscal year.

Article 7. *Information*

The Board shall provide sufficient information on the objectives and activities of the Foundation as to be known by its potential beneficiaries and other interested public.

CHAPTER III

GOVERNANCE OF THE FOUNDATION

Section 1^a

On the Board of Trustees and its members

Article 8. *The Board of Trustees.*

1. The Board of Trustees is the governance and representation body of the Foundation.
2. The Board is in charge of fulfilling the foundational purpose and administrating the goods and rights making up the patrimony of the Foundation, maintaining its return and utilities.

Article 9. *Composition.*

1. The Board shall be composed by a minimum of three members and a maximum of twenty and it will pass its resolution at majority in accordance with the terms set out in this Statute.
2. The Board shall be open to individuals with full capacity to act and not disqualified from public offices.
3. Legal entities may be part of the Board and shall designate the individual or individuals that will represent them.
4. The members of the Board are unremunerated although they shall be reimbursed for any duly justified expenses incurred in the performance of their functions. In case it will be considered pertinent to confer them some kind of salary or emolument for any special service provided to the Foundation, different from those related to their functions as Board members, this shall be approved by the Board of Trustees with the absolute majority of its members, with prior approval of the Protectorado.

Article 10. *Rules for the designation and replacement of its members*

1. The designation of the members that constitute the first Board will be made by the Founder, and it will be duly recorded in the constitutional deed.
2. The designation of new members will be made by the Board that appears inscribed in the corresponding Registry of Foundations, and by agreement of majority of its members.
3. Board members shall commence the exercise of their functions once they have explicitly accepted the position before the Board, accrediting themselves through a certification issued by

the Secretary where signature has been legitimised by notary, or through a public or private document with signature legitimised by notary, or by their appearance to this effect in the corresponding Registry of Foundations.

In any case, the appointment and its acceptance shall be formally notified to the Board and will be registered in the Registry of Foundations.

4. The designation of the Board members will have duration of three years and will be renewed with a majority vote by the Board. The Board members can be re-elected an indefinite number of times.

5. The designation of the President will be limited to three consecutively times of three years each.

Article 11. *Reunions of the Board of Trustees, special calls, quorum, form of deliberation and adoption of resolutions.*

1. The Board will hold one ordinary meeting per year. It may hold extraordinary meetings at the request of the chairperson or of a third of its members. In any case the calling of the meetings of the Board is due to the President. Sessions may be hold in or outside Madrid.

2. The notices shall be sent by the Secretary and be delivered to the Board members ten days prior to the date of the meeting if it is an ordinary one, five days prior to the date if it is an extraordinary meeting. In the notice of the reunion shall be specified the date, hour and venue of the meeting, as well as the objectives of the session and the issues that will be addressed. The notice shall be delivered personally to the Board members, or mailed to the address registered in the records of the Foundation, or faxed to the number registered in the records of the Foundation, or emailed to the address registered in the records of

the Foundation. If the notice will be mailed, it will be considered delivered when it will be deposited at the Post Office, correctly addressed and with postage paid. If the notice is sent by fax it shall be considered delivered when it is received the confirmation that the transmission was successful. If the notice is sent by e-mail it shall be considered delivered when the confirmation e-mail is received.

3. When all members are present and agree unanimously on the celebration of the meeting, no previous notice to the meeting will be necessary.
4. The Board shall be validly constituted and will constitute a quorum if at least half plus one of its members are present in person or represented.
5. Resolutions shall be adopted by a majority of the votes.
6. Any member of the Board, or of committees to be constituted in accordance with the provisions of this Statute, may participate in the meetings of the Board or respective committee by conference call or similar communication system, provided that this allow the conversation to all people participating in the meeting at the same time. This kind of participation in a duly constituted meeting shall be considered as if done in person on all legal and statutory purposes.
7. As a result of the Board meetings, minutes will be written by the Secretary who will submit them for approval to all Board members present in the Board or obtain their approval during the next meeting. The minutes will be registered in the corresponding minute's book, signed by the Secretary and countersigned by the President.

8. With respect to the Meeting of the Board of Directors, the corresponding Act kept by the Secretary must be subjected to approval of all members present at the time or adopted in the next meeting. This is transcribed in the corresponding book and shall be signed by the Secretary with the approval of the Chairman.
9. The position of member of the Board assigned to an individual shall be exercised personally. However, another designated Board member may act on its behalf. This action will always be for specific acts and shall comply with the instructions the represented has given in writing, if applicable.
10. In the meetings of the Board, upon the invitation of the President, the senior managers and other hired personnel, which are not Board members of the Foundation may participate, with voice and without vote.

Article 12. *Powers of the Board.*

Without prejudice to the regulatory approvals of the Protectorado, the powers of the Board are:

- a) Exercise governance and representation of the Foundation and approve management plans and its periodical action programs.
- b) Interpret and develop the Statute and, when necessary, agree on its amendment, as long as this is convenient to the interests of the Foundation and the fulfilment of its missions.
- c) Establish the general lines of distribution and application of the funds available among the aims of the Foundation.

- d) Appoint people with general or special powers.
- e) Select the beneficiaries of the Foundation services.
- f) Approve the action plan and the financial accounts to be submitted to the Protectorado.
- g) Agree on the opening and closing of centres, offices, branches and delegations.
- h) Adopt agreements about the merger, dissolution and liquidation of the Foundation whether its objectives are not fulfilled.
- i) Delegate its powers to one or more members or, when necessary, to the Executive Committee, given that the approval of accounts and action plan, the amendment to the Statute, the merger and liquidation of the Foundation as well as those acts that require the authorization of the Protectorado may not be delegated. Neither can be delegated the powers to appoint members to the Board nor to any committee, the removal from the charges and the modification or revocation of any agreement taken by the Board.

Article 13. *Payment to foreign entities.*

In the event that the Foundation would have to entrust a grant or donation to an organization based abroad:

- a) Under no circumstances any payment shall be made on behalf of the Foundation outside the territorial boundaries of Spain, unless such payment (1) meets the requirements of tax-exempt purposes of the Foundation under applicable law and (2) that the Board is later informed.

- b) The Foundation shall conclude a written agreement with the concerned foreign Organization to ensure that the funds that are subsidized, or that contribute to such foreign Organization, may only be used for agreed purposes.
- c) It shall be required to the foreign Organization to submit periodic reports to the Foundation, which shall document the use of the funds that the Foundation has sponsored or contributed.
- d) In the event that the Foundation obtains public funds for the achievement of its objectives through a foreign organization, this latter shall commit to fulfil the requirements and conditions demanded by the public entity for giving these subsidies.

Article 14. *Obligations and responsibilities of the Board and its members*

1. The actions of the Board of Trustees shall be in accordance with existing legislation and with this Statute, respecting always the will of the Founder.
2. Board members shall perform their duties with the diligence of a loyal representative. They shall attend the meetings to which they are summoned and fulfil in their actions with the current legislation and the present Statute.
3. The Board members will be jointly and severally liable before the Foundation for the harm and damages caused by acts contrary to the law or to this Statute, or those they carried out without the diligence with which they must hold their positions. 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 all the necessary steps to prevent any harm or who at least expressly opposed it.

Article 15. *Dismissal, suspension or resignation of the Board members.*

1. The dismissal or suspension of the Board members will occur in the following cases: death or declaration of death, as well as extinction of the legal entity; disability, disqualification or incompatibility in accordance with the provisions of law; judicial resolution; completion of the term of office.
2. The resignation from the position of Board member may be made at any time upon written notice to the Secretary.

The substitution, dismissal or suspension of Board members shall be recorded in the Registry of Foundations.

Section 2
On the Committees

Article 16. *Executive Committee*

The Board may, by a duly adopted resolution, appoint an Executive Committee which shall consist of a minimum of three Board members. If such Committee is constituted, the President of the Foundation will always be its member and chair it. The Board may delegate its powers to the Executive Committee, except those which can not be delegated in accordance with the law and this Statute. The Board may designate one or more Board members as alternative members for the Executive Committee, in order to cover the absence or disqualification of a member in any meeting of the Executive Committee. The Executive Committee will regularly take minutes of its meetings and report to

the Board if required. The vacancies on the Executive Committee shall be filled by the Board in an ordinary or extraordinary meeting.

Article 17. *Other Committees.*

The Board may create other Committees composed by Board members or other persons, which shall have the powers that the Board legally grants them.

1. "Commission of Associated Entities": it will be formed by the representatives of those entities that will be associated to the Foundation as Benefactor Associated Entities. Such Entities will contribute to the aims of the foundation and might provide economic or in-kind support for the activities of the foundation. The Commission will have a president that will necessarily be a member of the Board, and the secretary of the Board will act as secretary of the Commission.

Section 3

On the positions in the Board of Trustees

Article 18. *Positions in the Board.*

1. The positions within the Board of Trustees are the President, the Vice President, the Secretary and the Treasurer. The positions of President and Vice President shall be held by members of the Board of the Foundation. The positions of Secretary and Treasurer may be held by individuals who do not belong to the Board; in this case they will have voice but not vote among the Board. The same person may hold two or more positions simultaneously, except for those of President and Secretary.

2. The positions shall be elected by the Board by a majority vote. The term of office and removal of the positions are regulated by the same rules as those established for the case of the Board members. In case any vacancy occurs, it shall be filled by the Board members of the Foundation during any meeting.

Article 19. *President.*

1. The President is responsible for exercising general supervision over the matters of the Foundation, representing it before any class of people, authorities and public or private entities, chairing the meetings of the Board and, if existing, of the Executive Committee and other committees of which he is a member, leading the discussions; and, where appropriate, implement the resolutions, being therefore able to perform all acts and sign the documents necessary for that purpose. All these shall be subject to review by the Board and, where appropriate, by the Executive Committee.
2. The President has a casting vote in order to be able to settle ties that may occur in the voting carried out within the Board and, if existing, in the Executive Committee and other committees in which he is a member.

Article 20. *Vice President.*

The Vice President shall perform the duties of the President in case of vacancy, absence or incapacity of the latter. The Vice President may perform the tasks assigned by the Board, the President or, where appropriate, by the Executive Committee. Such tasks may include the powers assigned or delegated to other officers.

Article 21. *Secretary.*

1. It is responsibility of the Secretary the certification of the resolutions of the Board, custody of all documents belonging to the Foundation, taking the minutes of the meetings of the Board, issue certificates and reports as required, and everything else concerning the position of secretary; as well as those which have been specifically assigned by the Board, the President or, where appropriate, the Executive Committee. Such tasks may include the powers assigned or delegated to other officers.
2. The Secretary shall guard the corporate seal and shall be entitled to, by himself or by a Deputy Secretary, stamp it on any document that requires it. The corporate seal may be stamped and authenticated by the signature of the Secretary or Deputy Secretary above mentioned. The Board may authorize any position of the Board or of the Foundation to stamp the Foundation seal and to authenticate it with a signature.

Article 22. *Treasurer.*

1. The Treasurer shall guard the patrimony of the Foundation and shall keep full and accurate account of incomes and expenditures. The Treasurer will report all transactions received as Treasurer and will certify the financial situation of the Foundation to the President, to the Board members in the Board ordinary meetings or when requested by the Board members; the Treasurer will also inform the Executive Director.

2. Checks, currency effects and other payment orders shall be signed by the Treasurer; however the Board may extend this faculty to another person or persons.

Section 4^a

On the managing positions

Article 23. *Executive Director.*

1. The Board may appoint an Executive Director, whose role and powers will be determined case by case. This decision shall be adopted by majority vote.
2. The Executive Director shall be entitled to attend the Board meetings, with voice and without vote.
3. The Executive Director should deposit the funds and the money of the Foundation in the financial entities that are determined with the supervision of the Board.

Article 24. *Other positions.*

The Board may designate other positions within the Foundation in case it is considered necessary in order to improve its performance. The role and responsibilities of the position shall be established in the agreement that creates it. The decision shall be adopted by majority vote.

CHAPTER IV

ECONOMICAL SYSTEM OF THE FOUNDATION

Article 25. Patrimony.

1. The patrimony of the Foundation consists of all assets, rights and obligations capable of economic assessment, which integrate its endowment, as well as those the Foundation acquired after its constitution, whether or not affecting its endowment.
2. The Foundation must be listed as the owner of all assets and rights of its patrimony, which shall be included in its annual inventory.
3. The Board of Trustees will promote, under its own responsibility, the inscription in the corresponding public Registries, on behalf of the Foundation, of all assets and rights that integrate its patrimony.
4. The Board or, where applicable, the Executive Committee may authorize the managers, or other people deemed appropriate to act as representative of the Foundation, so that they can assign, transfer or withdraw securities and other actions of the Foundation, and exercise or dispose of any rights, options or privileges regarding the securities of the Foundation. All this within the limits established in the Law on Foundations.

Article 26. Funding.

1. For the development of its activities the Foundation will be financed with resources coming from the performance of its patrimony and, where appropriate, with those coming from aid, grants or donations received from individuals or both public and private entities.

At the same time, the Foundation can earn from its activities, provided that this does not involve an unreasonable restriction on the scope of its potential beneficiaries.

2. The Board is empowered to make the all the necessary changes in the composition of the patrimony of the Foundation in accordance with the current economic situation and subject to the request of the proper authorization or to proceed to the appropriate notification to the Protectorado.
3. The financial year shall coincide with the calendar year.
4. The Foundation shall keep organized financial records, appropriate to its activity and which can allow a chronological monitoring of the operations. Therefore a Journal, an Inventory and an Annual Accounts Book, as well as any other book required by the current law, will be compiled.
5. In the economical and financial management, the Foundation is governed by the principles and general criteria determined in the current regulations.

Article 27. *Plan of action and accountability.*

1. The Board shall prepare and submit to the Protectorado during the last three months of each financial year an action plan that reflects the goals and activities that it intends to develop during the following financial year.
2. The annual accounts shall be approved by the Board of Trustees of the Foundation, within six months after the end of the financial year and be presented to the Protectorado within ten working days after the approval.

CHAPTER V
AMENDMENT, MERGER AND TERMINATION

Article 28. *Amendment.*

1. The Board may amend this Statute as long as this would be convenient to the best interests of the Foundation. In any case, the Statute shall be amended when the circumstances underlying the establishment of the Foundation changed in such a way that it can no longer act satisfactorily in accordance with this Statute. In case a meeting with this purpose should be held, it shall be specified in the notice.

2. The modification or new redaction of the Statute accorded by the Board shall be communicated to the Protectorado, and formalized in a public deed and inscribed in the corresponding Registry of Foundations.

Article 29. *Merger.*

The Board of Trustees may decide to merge with another Foundation whenever this would be convenient to its best interests. The merger agreement shall be communicated to the Protectorado and later formalized in a public deed and inscribed in the corresponding Registry of Foundations. In case a meeting with this purpose should be held, it shall be specified in the notice.

Article 30. *Termination.*

1. The Foundation shall be dissolved for reasons and in accordance with the procedures established by current law.
2. The expiry of the Foundation shall determine the commencement of a clearance procedure, which shall be realized by the Board under the control of the Protectorado.
3. In the case of dissolution and as a consequence of that, all the Foundation rights and assets have to be given to other foundations or non-profit organizations pursuing social general interests, whose properties are subject, even in the event of their dissolution, to those interests, and that are considered by the current legislation as entities beneficiating by philanthropy; or public entities, which are not foundations, pursuing general interest aims. Exclusively the Board of Trustees is allowed to realize the action described above.