

FULL TEXT OF THE
CONSTITUTION

of

Stichting Cordaid
having its seat in The Hague

as amended by a deed of amendment executed on 18 June 2009
before J.H.M. Grijmans, "notaris" (civil law notary) in The Hague



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UNOFFICIAL ENGLISH TRANSLATION OF
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TRANSLATION

ARTICLES.

Definitions.

Article 1

"Board of Directors":	the board members of the foundation;
"Supervisory Board":	the supervisory board of the foundation;
"foundation":	Stichting Cordaid, a foundation with its registered office in the municipality of the Hague;
"CBF":	The Central Bureau on Fund-raising, established in Amsterdam;
"CBF Seal Regulations":	the text of the CBF Seal Regulations established by the CBF in respect of judging and granting the seal of approval to be granted by the CBF, version no 9 of December 2002, to amend by the CBF as thereafter;
"receiving entity":	an entity at the disposal of which the foundation puts the moneys collected by it wholly or partially or with which the foundation performs in a structural way legal acts capable of being expressed in money.

Name and seat.

Article 2.

1. The foundation bears the name: Stichting Cordaid.
2. The foundation has its seat in the municipality of the Hague. The foundation is entitled to create establishments abroad if the acts to be performed require such.

Purpose and means.

Article 3

1. In accordance with the evangelical message and inspired by the catholic society in the Netherlands, the purpose of the foundation is to carry out activities focussed on:
 - a. providing emergency and refugee aid;
 - b. providing aid to specific groups such as elderly people, disabled people and children;

- c. providing medical aid;
- d. all aspects related to fighting structural poverty of subordinated groups, especially in developing countries and in Central and Eastern Europe and the Netherlands (hereinafter referred to as the "the program countries").

The foundation does not intend to make any profits.

2. The foundation intends to reach its purpose by:
 - a. giving support to developing programs and developing projects in the program countries;
 - b. offering material and immaterial services to the people who carry out programs and projects in the program countries;
 - c. posting experts, medical doctors, medical staff and volunteers;
 - d. carrying out activities, nationally and internationally, focussed on improvement of politics and policy of institutions and organisations working in the field of developing cooperation or other fields being important to the foundation;
 - e. geared fundraising by making use of trademarks being at the disposal of the foundation;
 - f. geared information and carrying out educational programs in the Netherlands;
 - g. normal property administration of securities and liquidities;
 - h. creating, maintaining, stimulating and disposing of an organisation, which offers both the one being related to the foundation on a voluntary basis and the one having a fixed working contract with the foundation, the possibility to contribute to realise the purposes of the foundation.
3. The foundation also aims at the cooperation with other organisations with similar purposes both nationally and internationally.

Capital.

Article 4.

The capital of the foundation will be formed by 'subsidies, gifts, legacies, that which is acquired by appointment as well as other benefits'.

Board of Directors: composition, appointment, retirement.

Article 5.

1. The Board of Directors forms the management of the foundation and is made up of two or more natural persons, such with due observance of article 14, which number will be established by the Supervisory Board.
2. The members of the Board of Directors are appointed by the Supervisory Board for a five-year term maximally, however they are eligible for reappointment.

The chairman of the Board of Directors is appointed by the Supervisory Board. With the appointment of the members of the Board of Directors, the Supervisory Board will establish to retire by rotation.

Chairman and members of the Board of Directors are dismissed by the Supervisory Board.

3. The board will keep its powers in the event that it is not complete. Arisen vacancies will be filled as soon as possible.
4. In their capacity, the members of the Board of Directors will not receive any remuneration directly or indirectly. The members of the Board of Directors will receive a reasonable compensation for costs made by them for the benefit of the foundation and for work carried out by them as well as holiday moneys being not immoderate. It is without prejudice that members of the Board of Directors with an employment contract with the foundation may be paid in their capacity as employee.
5. The members of the Board of Directors may not be managing director, incorporator, shareholder, supervisor or employee of:
 - a. an entity at the disposal of which the foundation puts its moneys collected directly or indirectly, wholly or partially;
 - b. an entity with which the foundation performs structurally legal acts, valuable in money.A legal person or entity which is officially –directly or indirectly- connected with the foundation will be put on a par with an entity as referred to in this paragraph.
6. The provisions of paragraph 5 are not applicable with regard to an entity or entity officially – directly or indirectly – connected to this at the disposal of which the foundation puts in accordance with its official purpose moneys (receiving entity) on the understanding that:
 - the influence of the receiving entity on the appointment and recommendation for the appointment of members of the Board of Directors is allowed until maximally one-third of the number of members of the Board of Directors;
 - maximally one-third of the number of members of the Board of Directors may consist of the persons mentioned in paragraph 5 of this article.The members of the Board of Directors as referred to above may – apart from representation by participating in acts of the Board of Directors – not represent the foundation.
7. The provisions of the paragraphs 5 and 6 are not applicable.
 - a. if and in so far as there is question of consolidation as referred to in the Guideline Reporting Fundraising Institutions with regard to the foundation and the entity in question.
 - b. if the member of the Board of Directors is appointed managing director or supervisor of the receiving entity by or with the approval of the foundation's Supervisory Board.

Retirement of a member of the Board of Directors.

Article 6.

A member of the Board of Directors retires:

- a. by death;
- b. by resigning
- c. by resignation granted by the Supervisory Board;
- d. by being declared bankrupt or upon a petition for suspension of payment;
- e. by being put under tutelage;
- f. upon his dismissal granted by the court in the cases provided by law;
- g. by obtaining a quality as referred to in article 14.

Board of Directors: duties and powers

Article 7.

1. The Board of Directors is charged with the management, including the foundation's daily management and the performance of its programs and activities.
2. The Board of Directors has all the duties and powers which are not according to the articles assigned to the Supervisory Board.
3. The Board of Directors will draft Directors regulations in which for instance the decision-making and the external representation will be laid down.

Board of Directors: representation.

Article 8.

1. The foundation is represented by the Board of Directors. The foundation will be represented in any case by the chairman and a second member of the Board of Directors. In the event of absence of the chairman, the foundation will be represented by two jointly acting members of the Board of Directors.
2. In all cases in which there is question of entanglement of interests between the foundation and one or more members of the Board of Directors, the foundation will only be represented by the Supervisory Board, provided that there is no question of entanglement of interests in respect of the Supervisory Board or one of its members.
3. The Board of Directors is allowed to decide to grant a power of attorney to one or more members of its Board of Directors as well as to third parties, to represent the foundation within the scope of this power of attorney.

Board of Directors: decision-making.

Article 9.

1. The meetings of the Board of Directors are held as often as the chairman of the Board of Directors convenes a meeting, however, at least twelve times a year.
2. Each member of the Board of Directors is authorized to convene a meeting of the Board of Directors which has to be done in writing, stating the business to be transacted, in a term of at least five days.

If the convening did not take place in writing, or business will be transacted which was not mentioned with the convocation, or the convening took place within a term of less than five days, the decision-making will still be possible, provided that the meeting is attended by more than half of the number of members and none of the members of the Board of Directors has then opposed explicitly against decision-making.

3. Meetings of the Board of Directors are held at a place to be determined by the one who convenes the meeting.
4. Entitled to access to the meetings are the members of the Board of Directors as well as those who are admitted by the members of the Board of Directors present at the meeting, by a majority of the votes. A member of the Board of Directors cannot be represented at the meeting.
5. Each member of the Board of Directors has one vote. All decisions concerning which not is stipulated otherwise with these articles, will be taken by an absolute majority of the votes cast in a meeting in which more than half of the number of members of the Board of Directors being in function are present. Blank votes and votes not validly cast are considered to be not cast. In the event of a tie with the election of persons, the drawing of lots shall decide the issue; in the event of a tie with an other voting, the chairman of the Board of Directors has a deciding vote.
6. Each vote will take place by oral vote. However, the chairman can determine to vote by ballot. If it concerns an election of persons, a person being present and having voting right may require that the votes will be cast by ballot. Voting by ballot will take place by means of unsigned ballots.
7. The meetings are chaired by the chairman, by his absence the meeting itself provides for its chairing. Until that moment the chairmanship will be deputed by the member of the board of directors being the oldest person and being present at the meeting.
8. Minutes are made of the business transacted in the meeting by the secretary to the board or an other person appointed by the chairman of the meeting for this purpose, which minutes in the same or the next meeting are established and as proof of this signed by the chairman and the secretary to the board.
9. Decisions of the Board of Directors can also be taken outside the meeting, in writing or otherwise, provided that the proposal in question is submitted to all members of the Board of Directors being in function and not anyone of them opposed in writing against the way of decision-making in question prior to the date of the decisions-making. The chairman of the Board of Directors or the secretary to the board or other person appointed for this purpose by the chairman of the meeting will draft a report of a decision taken outside the meeting, which has not been taken in writing, or, by the

absence of the chairman signed by one of the other members of the Board of Directors. Decision-making in writing will take place by means of declarations in writing of all members of the Board of Directors being in function.

10. If a member of the Board of Directors is not able to be present at a meeting of the Board of Directors, this member will have himself represented at the meeting by another member of the Board of Directors. This representation has to be recorded in the minutes of the meeting in question.
11. In all cases in which there is an entanglement of interests in respect of a member of the Board of Directors, the member in question has to report this to the Board of Directors. The member in question has to refrain from the discussion and decision-making in this respect. This member will not be entitled to cast his vote with the decision-making of the matter in question and the presence of this member does not count with the determination whether the required quorum for decision-making is present.
12. Entanglement of interests as referred to in paragraph 11 of this article shall for instance be taken to mean the performance of acts capable of being expressed in money between:
 - a. the foundation and members of the Board of Directors, the Supervisory Board and/or employees of the foundation;
 - b. persons having close family relationships or similar relationships with the persons referred to above under sub a;
 - c. legal persons of whom the persons sub a and b as referred to above are a member of the board, member of the supervisory body or shareholder.

Supervisory Board.

Article 10.

1. The foundation provides for a Supervisory Board.
2. The Supervisory Board consists of at least five and no more than nine natural persons, such with due observance of article 14. With the establishing of the number of persons, the Supervisory Board will take this minimum and maximum into consideration.
3. Members of the Supervisory Board are appointed by the Supervisory Board for a four-year term, however, they are eligible for reappointment. The Supervisory Board is authorized to suspend or dismiss members of the Supervisory Board. Members of the Supervisory Board can be appointed maximally for three terms. Each reappointment for the third term will be tuned to the rotation of retirement, so that the risk of losing continuation will be spread. Members of the Supervisory Board

will retire periodically in accordance with a rotation to be established by the Supervisory Board.

4. The foundation: Stichting Bisschoppelijke Vastenactie Nederland, established at Zeist, casu quo the bishops' committee for mission and cooperation in respect of developing is entitled to propose in consultation with the Bishops' Conference of the Roman Catholic Church in the Netherlands, one person for the appointment of one member of the Supervisory Board.
5. The works council is entitled to recommend one person for appointment of one member of the Supervisory Board.
6. The chairman of the Supervisory Board is appointed from their number.
7. A member of the Supervisory Board retires:
 - a. upon his death
 - b. upon his retirement
 - c. upon his dismissal
 - d. upon his bankruptcy order, by petition of suspension of payment or in the event that he is put under tutelage
 - e. upon his discharge granted by the court in cases provided by law;
 - f. by obtaining a quality as referred to in article 14.
8. The members of the Supervisory Board as such do not receive a remuneration – directly or indirectly. A reasonable expense allowance, which will be determined by the Supervisory Board on the proposal of the Board of Directors, can however be granted to the members of the Supervisory Board. The expense allowances have to be revealed in the annual accounts and explained. Such reasonable expense allowance is not deemed to be salary.
9. The members of the Supervisory Board can not be an officer or employee of the foundation. The members of the Supervisory Board furthermore can not be a manager, founder, shareholder, supervisory official or employee of:
 - a. an entity to which the foundation grants the monies collected by her directly or indirectly, wholly or partially;
 - b. an entity with which the foundation structurally performs acts valuable in money.A legal person or entity which is - directly or indirectly - affiliated with the foundation pursuant to its articles of association is equated with an entity such as referred to in this paragraph.
10. The provisions of paragraph 9 do not apply with respect to an entity or an entity - directly or indirectly - affiliated thereto according to the articles of association to which the foundation grants monies in conformance with its objective according to its articles of association (receiving entity) on the understanding that the influence of the receiving entity on the appointment and nomination of members of the Supervisory Board is allowed to a maximum of one-third of the number of members of the Supervisory Board of the foundation. In addition to this the condition applies that the Supervisory Board of the foundation consists for a maximum of one-third of members coming from the receiving entity.
11. The provisions of paragraphs 9 and 10 do not apply in case and insofar as with respect to the foundation and the entity referred to consolidation as referred to in article 650.108 of the Directive Accounting Fundraising Entities takes place.

Supervisory Board, tasks and powersArticle 11

1. The Supervisory Board has the task of supervising the Board of Directors and the general course of events in the foundation. It advises and assists the Board of Directors. In the fulfilment of their tasks the members of the Supervisory Board are guided by the interests of the foundation.
2. The Board of Directors supplies the Supervisory Board in time with the information necessary for the exercise of its task.
3. The Supervisory Board has access to the buildings and grounds of the foundation and is entitled to inspect the books and documents of the foundation. The Supervisory Board can appoint one or more persons whether or not from its midst to exercise these powers. Apart from that the Supervisory Board can let itself be assisted by experts.
4. The Supervisory Board adopts the budget drafted to that end by the Board of Directors, as well as the annual report and the annual accounts concerning the past financial year.
5. The Supervisory Board adopts the multiannual policy plan, drafted by the Board of Directors.
6. The Supervisory Board approves the annual plan.
7. The Supervisory Board approves the appointment and the dismissal of the external accountant of the foundation.

Approval Supervisory Board.Article 12.

The Board of Directors requires prior written approval by the Supervisory Board for:

- a. the acquisition, alienation, encumbering, rental, letting out and otherwise obtaining and giving of the use or enjoyment of registered goods in excess of amounts to be determined by the Supervisory Board;
 - b. investments in excess of an amount to be determined by the Supervisory Board;
 - c. the establishment of a restricted right to property rights and immovable properties;
 - d. the entering into of agreements in which the foundation binds itself as surety or as joint and several debtor, or warrants performance by a third party or provides security for a debt of a third party for an amount in excess of a limit to be determined by the Supervisory Board;
 - e. the entering into of strategic alliances with financial implications which exceed the limits indicated by the Supervisory Board;
 - f. the adoption or amendment of a Document describing the duties and powers of the management;
 - g. the entering into of financial transactions or juristic acts other than those referred to hereinbefore which exceed an amount such as annually to be determined by the Supervisory Board;
 - h. the filing for a moratorium of payments, or for bankruptcy;
 - i. the adoption of the volunteer policy;
 - j. the adoption of the regulation of powers for managers used within the foundation and changes thereto.
2. The Supervisory Board has the power to subject decisions other than those mentioned in paragraph 1 to its approval, with due regard for article 7, paragraph one. Those other resolutions have to be clearly described and communicated in writing to the Board of Directors.
 3. The Board of Directors and the Supervisory Board draft regulations concerning the division of powers concerning the adoption of the general policy and financial guidelines, with due regard to the provisions

of the law and the articles of association.

Supervisory Board. Decision-making

Article 13.

1. Meetings of the Supervisory Board are held as often as the chairman or at least two of the other members of the Supervisory Board call a meeting, but at least three times annually.
2. Convening a meeting is done by the chairman or at least two of the other members of the Supervisory Board, to wit in writing stating the business to be transacted, at a term of at least five days. In the event the convening has not been in writing, or subjects are raised which have not been mentioned at the occasion of the convening, or the convening has been done at a term shorter than five days, decision-making is nevertheless possible provided the majority of the members is present and no members of the Supervisory Board have explicitly opposed beforehand the decision-making intended.
3. Meetings of the Supervisory Board are held at a location to be determined by the person who convenes the meeting.
4. The members of the Supervisory Board as well as those who are admitted by the members of the Supervisory Board present at the meeting on the basis of a majority of votes have access to the meetings of the Supervisory Board. The chairman and the members of the Board of Directors always have access to the meetings of the Supervisory Board, unless the Supervisory Board expressly decides otherwise. A member of the Supervisory Board can not let himself be represented at the meeting. The Supervisory Board can decide to meet in the absence of the chairman or the other members of the Board of Directors.
5. Every member of the Supervisory Board has one vote. All resolutions concerning which these articles of association do not determine otherwise, are taken with at least a majority of the votes cast in a meeting in which more than half of the number of members of the Supervisory Board holding office is present.
6. All votes are cast orally. Nevertheless the chairman can decide that the votes will be cast in writing. In case the election of persons is concerned a person holding the right to vote can also demand that votes are cast in writing.
7. In case in these articles of association it is determined that the validity of a resolution is dependent upon the number of members of the Supervisory Board present at the meeting and this number is not present at the meeting, a new meeting can be convened in which the resolution can be made, in which more than half of the number of members of the Supervisory Board holding office is present. The convening of this new meeting does not take place any sooner than one week, but no later than four weeks after the first meeting.
8. The meetings of the Supervisory Board are presided over by the chairman; in his absence the meeting itself provides for its leadership. Until that moment the presidency is taken care of by the person oldest in age present at the meeting.
9. The secretary to the board or someone else designated for that purpose by the chairman of the meeting takes minutes of the proceedings in the meeting, which are adopted in the same or the next meeting and signed by the chairman and the secretary to the board in witness thereof.

10. The Supervisory Board can also adopt resolutions in ways other than in a meeting, provided all members of the Supervisory Board are given the opportunity to cast their vote, and none of them have objected to this method of decision-making. In that case a resolution is adopted as soon as the required majority of all members of the Supervisory Board has declared in writing to be in favour of the proposal. The chairman shall make a record of a resolution adopted without holding a meeting, which will be adopted in the next meeting and signed by the chairman of that meeting in witness thereof. The record thus adopted is added to the minutes together with the documents as referred to in the first sentence of this paragraph.

11. In all instances in which an entanglement of interests with respect to a member of the Supervisory Board arises the member concerned is to report this to the Supervisory Board. The member concerned is to refrain from the deliberations and decision-making in that matter. This member has no voting right in the decision-making of the matter concerned and the presence of this member does not count in the determination whether the required quorum for decision-making has been obtained.

12. Entanglement of interests as referred to in paragraph 11 of this article among other things is understood to include the performance of acts which are valuable in money between:

- a. the foundation and the members of the Board of Directors, the Supervisory Board and/ or employees of the foundation;
- b. persons who have a close family - or comparable tie with the persons mentioned hereinabove under sub a;
- c. legal persons of which the persons mentioned hereinabove sub a and b are board member, or member of the supervisory body or shareholder.

Quality requirements.

Article 14.

Within the Board of Directors and within the Supervisory Board as well as between the members of the Board of Directors and members of the Supervisory Board no close family or comparable ties are allowed. The quality of managing director, founder, shareholder, supervisor or employee of a receiving entity is tantamount to a tie.

Financial year and annual report and accounts.

Article 15.

1 The financial year of the foundation is identical to the calendar year.

2. The Board of Directors is required to keep the accounts with respect to the financial position of the foundation and of all things concerning the activities of the foundation according to the requirements which arise from these activities, and to retain the books, documents and other data carriers such that at all times the rights and obligations of the foundation can be known.

3. The Board of Directors is required to draft an annual financial statement for the foundation, consisting of a balance sheet and a statement of income and expenditure, and put this down in writing within four months after the end of the financial year.

4. Before proceeding to draw up the annual financial statement, the Board of Directors shall have these audited by an accountant to be appointed by the Board of Directors. The accountant reports to the Board of Directors as well as the Supervisory Board concerning his audit.

5. The Board of Directors is required to retain the books, documents and other data carriers referred to in the previous paragraphs for seven years.

6. The data affixed to a data carrier, the balance sheet and the statement of income and expenditure put down in writing excepted, can be transferred to another data carrier and retained, provided the transfer takes place with correct and complete reproduction of the data and these data are available during the complete retention period and can be made legible within a reasonable time.

Amendment of the articles of association.

Article 16.

1. The Board of Directors has the power to amend the articles of association.
2. A resolution of the Board of Directors to amend the articles of association requires an absolute majority in a plenary session, on the understanding that a resolution to amend the articles of association requires prior approval of the conference of Bishops of the Roman Catholic Archdiocese in The Netherlands.
3. With the notice convening of the meeting, in which an amendment of the articles of association will be proposed, a copy of the proposal, including the verbatim text of the proposed amendment, is to be enclosed.
4. A resolution to amend the articles of association requires the prior, written approval of the Supervisory Board, which can not resolve to do so other than with a majority of at least two thirds of the votes, cast in a meeting in which at least two thirds of the members is present or represented. Paragraph 3 of this article shall apply by analogy.
5. A resolution to amend the articles of association becomes operative only after a notarial deed thereof is drawn up. Every member of the Board of Directors has the power to have this deed passed.

Dissolution. Legal Merger and Legal Division.

Article 17.

1. The Board of Directors has the power to dissolve the foundation.
2. The provisions of the previous article are applicable by analogy to the resolution of the Board of Directors to resolve.
3. At the occasion of the resolution the designation of the balance left after winding-up is also adopted. A possible surplus balance left after winding-up is to be allotted a designation in conformance with the objects of the foundation and/or benefit one or more institutions for the common good acknowledged by the tax authorities.
4. Following the dissolution the assets will be liquidated by the Board of Directors.
5. After the termination of the liquidation the books and documents of the dissolved foundation will remain in the keeping of the person appointed by the liquidators during the term prescribed by law.
6. For the rest the provisions of Book 2, Title 1 of the Civil Code are applicable to the liquidation.
7. The foundation can enter into a Legal merger or a Legal division with another legal entity. After such a legal merger or Legal division, in case the foundation is the disappearing legal entity, it must be manifest from the articles of association of the acquiring legal entity that the assets the foundation possesses at the legal merger, the Legal division respectively, and the fruits thereof can only be put to use differently than prescribed before the legal merger, the legal division respectively, with permission of the judge.

Marks.

Article 18.

The Board of Directors has the power to introduce considerable changes in the nature of the several marks used by the foundation, their market position or the termination of a mark. Such a resolution requires the prior approval of the Supervisory Board. The Supervisory Board can only take such a decision with a majority of at least two thirds of the votes, cast in a meeting in which at least two thirds of the members is present.

General provisions Roman Catholic Archdiocese.

Article 19.

The General Provisions for ecclesiastical legal entities and catholic civil law legal entities in the Roman Catholic Archdiocese in the Netherlands are applicable for the foundation.

Transparency.

Article 20.

1. The foundation informs her interested parties, including its volunteers, its friends of- or (potential) donors, grantors or testators, its subsidy grantors and the lottery, its beneficiaries (the potential beneficiaries as well as the present beneficiaries), the organisations who are willing to endorse and to further the object of the foundation, the partners with which the foundation cooperates internationally or nationally, the media, the government and the tax authorities and the society, in such a manner that: - the information is relevant for the interested parties; - the information is unequivocal and not open to multiple interpretation; - the information is accessible for interested parties, where the content is concerned as well as where the informational channels are concerned.
2. The foundation furthermore takes care that the interested parties can make their ideas, remarks, wishes and/or complaints known to the foundation and that the proper attention is paid thereto. To that end the foundation indicates to the interested parties where and in which way they can make their contributions or complaints and the foundation determines by way of regulations how it deals with this.
3. By way of regulations the Board of Directors can work out in more detail who are the interested parties of the foundation, which information is provided to the interested parties and the way in which this information is provided.