



STATUTES

**OF THE POLISH ENVIRONMENTAL PARTNERSHIP
FOUNDATION**

General Provisions

§ 1.

1. The Polish Foundation „Partnerstwo dla Środowiska”, referred to hereon as the Foundation was established in Wroclaw in 1996 by the following founders: Wojciech Beblo, Zbigniew Bochniarz, Tadeusz Borys, Marianne Lais Ginsburg, Krzysztof Gorlich, Zbigniew Jędrzejewski, William S. Moody and Krystyna U. Wolniakowski.
2. The idea of the Foundation was initiated and builds on the achievements of the Office of the Environmental Partnership for Central Europe – a program administered by The German Marshall Fund of the United States – established in Poland in 1992 and supported by the: Alfred Jurzykowski Foundation, Stefan Batory Foundation, Rockefeller Brothers Fund, German Marshall Fund of the United States, Charles Stewart Mott Foundation, Pew Charitable Trust, Charities Aid Foundation, Environmental Training Project (US AID), Joyce Mertz-Gilmore Foundation, Moriah Fund, Sasakawa Peace Foundation, Trust for Mutual Understanding, Winslow Foundation, World Wildlife Fund (WWF), Barbara Gauntlett Foundation and other foundations.
3. The Foundation functions in accordance with regulations of the Polish law concerning foundations and on the basis of the provisions of these statutes and its activity is aimed at the realization of charitable, scientific and educational goals.

§ 2.

1. The Foundation has legal standing and its offices are in the City of Cracow.
2. The Foundation may set up branches in other towns and may establish other organizational units.
3. The Foundation shall not participate in any political campaign for public office and shall not carry out any other political activities.

§ 3.

1. The area of the Foundation’s activity is the Republic of Poland, but to realize its goals, it may be necessary to conduct activities abroad, particularly in other countries of Central and Eastern Europe.
2. The Foundation can use the name of the Foundation translated into other languages in order to enable cooperation with other countries.

§ 4.

The Foundation uses a seal with details necessary to identify the Foundation.

§ 5.

The goal of the Foundation is to promote, support and help implement environmental protection activities undertaken by not-for-profit organizations and local communities, where these contribute to the development of democracy in Poland.

§ 6.

The Foundation realizes its goal defined in § 5. through:

1. Providing financial, organizational, substantive and in-kind support to organizations referred to in § 5;
2. Providing financial and organizational, in-kind and other support to facilitate exchange of professional, scientific and other experience in the environmental field, including also training and popularization activities in Poland and abroad;
3. Providing financial and other support for information dissemination, publications and exhibitions;
4. Promoting and implementing cross-sector partnerships (i.e. industry, business, government, local government, academic, voluntary etc.) for implementing projects that result in environmental improvement, as well as economic and social revitalization of local communities;
5. Involving the business sector in activities contributing to realizing goals referred to in §5, especially in relation to enterprise development;
6. Cooperating with individuals and institutions in Poland and abroad working to realize the goals of the Foundation;
7. Activities supporting educational development and supporting initiative related to education, tourism, organic agriculture, development of rural areas, natural and cultural heritage conservation.

Assets and Revenues of the Foundation

§ 7.

1. The Foundation's assets consist of its founders' start-up fund (fundusz założycielski) amounting to 3 500 PLN (in writing: three thousand five hundred Polish Zlotys) plus the equivalent in Polish Zlotys of USD 5 000 (in writing: five thousand US Dollars), as well as other assets obtained or purchased by the Foundation in the course of its operations.
2. The Foundation's assets provide guarantee for its obligations.

3. The sum of 1000 PLN (one thousand PLN) has been allocated by the Foundation as a basis for revenue-generating activities.

§ 8.

1. The Foundations income is from:

- 1) grants from institutions with legal standing;
- 2) donations/grants, legacies and bequests,
- 3) flag days/collections and public events,
- 4) revenues from the Foundation's assets,
- 5) revenues from the shares in the law company
- 6) revenues from the interest bearing accounts and investment accounts
- 7) revenues from securities investment
- 8) revenues from revenue-generating activity undertaken by the Foundation at a scale that serves to help meet statutory goals.

2. Revenues listed in item 1 are to be used for the realization of the goals referred to in §5.

§ 9.

1. Revenue derived from subsidies, grants, legacies and bequests can be used to realize the Foundation's goals, respecting the donor's will as necessary,
2. The acceptance of grants, donations and declarations concerning legacies and bequests are given by the Executive Board according to prevailing laws.
3. No assets or revenue of the Foundation may be distributed to, or applied for the benefit of, a private person or non-charitable organization other than pursuant to the conduct of the organization's charitable activities, or as payment representing the fair market value of property purchased, or as reasonable compensation for services provided to the Foundation;
4. The Foundation may not have any shareholders or members who have a proprietary interest in the income or assets of the organization, except for the compensation of the expenses or as a salary.
5. It is forbidden to:
 - 1) Provide loans or securing debts with Foundation assets to members of Foundation authorities, staff or persons, to whom staff are married to or directly related to or otherwise tied to due to family, care or responsibility reasons, who are hereafter referred to as "close persons";
 - 2) Transfer Foundation assets to members of its authorities or staff or close persons on terms that are different than those practiced in relation to third persons, especially with respect to transfers without charge or on preferential terms;

- 3) Allow members of Foundation authorities, staff or close persons use Foundation assets on terms different from those practiced in relation to third persons, unless this use is directly related to the statutory goals of the Foundation.

The Foundation's Authorities

§ 10.

1. The Foundation's authorities is the Board of Trustees, referred to herein as the 'Board', and the Executive Board, referred to herein as the 'Executive'.
2. Board members do not receive financial compensation for their work on the Board, but can be reimbursed for documented expenses incurred while serving on the Board.
3. A person cannot be a member of both the Board and Executive if this would make them subservient due to family ties or employment status.
4. A Board member cannot be a person who has been sentenced for a premeditated crime.

§ 11

1. The Board consists of 6-17 persons appointed as follows:
 - 1) the first Board members by the Foundation's Founders or their plenipotentiaries;
 - 2) subsequent Board members are appointed by the Board;
2. Board members are each appointed for a period of three years, except where the provisions of clause 3 apply. A person can be a Board member for a period not exceeding two consecutive terms. A person can be appointed as a Board member after one year has elapsed from their last period of service.
3. In the event of expiry of a second term of a Board member, referred to in item 2 and as a result of which, the membership of the Board is reduced to less than 6, the Board member whose term has ended continues to serve on the Board until such time the Board appoints a new Board member and the Board attains its minimum statutory size.
4. To ensure continuity of the work of the Board, one-third of those appointed to serve on the first Board are appointed for one year, one-third for two years and one-third for three years.
5. A Board member can be dismissed before the expiry of the term of service as defined in clause (2) only by a decision of the Board.

6. The term of service on the Board as defined in clause (2) expires automatically in the event of the death or written resignation of the Board member.

§ 12.

1. The jurisdiction and authority of the Board extends to the following:
 - 1) prioritizing the overall direction of the Foundation's activities and overseeing the implementation of its program of activities;
 - 2) making amendments to the Statutes;
 - 3) appointing and dismissing of the Director of the Foundation, admitting salary to him, and approving of the Executive members elections nominated by the Director and also approving and dismissing of the Executive members by the Director, admitting to them salaries and benefits;
 - 4) establishing committees, in particular the Grants Committee, and determining their operational rules and procedures;
 - 5) determining the operating rules and procedures according to which the Foundation provides services and support;
 - 6) approving the Foundation's budget and internal operating rules and procedures, including the formula for determining staff salaries;
 - 7) approving annual reports of the Executive concerning the Foundation's activities, its finances and assets and voting of acceptance of the Executive accounts;
 - 8) appointing auditors to conduct financial audits of the Foundation;
 - 9) considering matters presented by the Executive and complaints leveled against the Executive;
 - 10) establishing and liquidating branches and other organizational units of the Foundation;
 - 11) other powers and responsibilities as stipulated elsewhere in this statutes.
2. Board members are ambassadors of the Foundation through helping to promote its activities, contributing to fund-raising and supporting the realization of the goals as stated in this statute.
3. The Board defines the formal operational rules and procedures concerning Board activities.

§ 13.

1. The Board Chair organizes the work of the Board and is appointed and dismissed by the Board and must be selected from among its members.
2. Board meetings are chaired by the Board Chair or a Board member nominated by the Chair. If the Chair is absent and has not designated a meeting chair, Board members present appoint a meeting chair from among those present. Board Meetings are held at least once a year. The Board meeting in the case of the examination of the Executive annual report concerning the Foundation's activities, the state of its finances and other assets and voting of acceptance of the Executive accounts, should take place within three months after the end of reporting period.
3. The Executive is responsible for enabling the work of the Board.

§ 14.

1. Unless this statute states otherwise, resolutions of the Board are passed by simple majority on the condition that at least half the Board is present and all Board members have been informed of the Meeting. In the case of a tied vote, the Chair has the deciding vote.
2. The resolutions of the Board may also be decided in form of written voting, if all Board members agree for that form of voting. Approval of reports and programs of the Foundation's activities and deciding in personal cases are excluded from the written voting.
3. The Chair signs Board resolutions.
4. The Chair presents declarations of the Board arising from resolutions or a Board member nominated by the Chair.

§ 15.

1. The Executive consists of no more than five persons, including an Executive Director who has the title Director of the Foundation.
2. The Board appoints the Director, and the Director with the Board approving the appointments the remaining members of the Executive. Executive members are titled "Deputy Director" or "Executive Member".
3. When the Executive has more than one member, decisions are made through resolutions passed by simple majority on the condition that at least half the Executive is present. In the event of a tied vote, the Director has the deciding vote.
4. The mode of the Executive's activities is regulated by the decided by the Executive by laws.

§ 16.

1. The Executive is responsible for the Foundation's activities and represents the Foundation.
2. The Executive is responsible specifically for:
 - 1) preparing annual financial plans and reporting on their realization;
 - 2) preparing reports of the Foundation's activities;
 - 3) managing the Foundation's funds consistently with financial plan;
 - 4) determining operational rules and regulations of the Foundation, except for those pertaining to the Board;
 - 5) decision-making on all matters not within the jurisdiction and authority of the Board;
 - 6) decision-making concerning joining other organizations, as well as on creating new organizational units;
 - 7) accepting donations, grants, legacies and bequests;
 - 8) determining the priorities and strategy of revenue-generating activities of the Foundation.

§ 17.

1. Declarations of will are made by at least two Executive members acting on behalf of the Foundation on basis of the Executive's resolutions, if the Executive consists of more than one member.
2. The Executive can appoint plenipotentiaries to act on its behalf in cases as defined by a plenipotentiary agreement, including also in making declarations as specified in § 17, clause 1.

§ 18.

1. The Foundation can carry out revenue-generating activities to attain the statutory goals specified in § 5, while contributing also to sustainable development and as long as they are defined as below (as specified in the European Classification of Activities):
 - 1) Retail sales in non-specialized shops (PKD 47.1),
 - 2) Retail sales of food, drinks and tobacco products in specialized shops (PKD 47.2),

- 3) Retail sales of products related to culture and recreation in non-specialized shops (PKD 47.6),
- 4) Activities related to films, video recording and television programmes (PKD 59.1),
- 5) Activities related to sound and music recording (PKD 59.20Z),
- 6) Activities related to software (PKD 62.01.Z),
- 7) Activities related to consultancy in IT (PKD 59.20Z),
- 8) Data transformation, managing internet pages (hosting) and related activity of internet portals (PKD 63.1),
- 9) Rental and management of own and leased real estate (PKD 69.02.Z),
- 10) Activity related to book-keeping and accountancy, tax consultancy (PKD 69.20.Z),
- 11) Consultancy related to management (70.2),
- 12) Technical research and analysis (PKD 71.20),
- 13) Scientific research and development work related to natural and technical sciences (PKD 72.1),
- 14) Activity of advertising agencies (PKD 73.11.Z),
- 15) Market research and public opinion surveys (PKD 73.20.Z),
- 16) Other professional, scientific and technical activity, not classified elsewhere (PKD 74.90.Z),
- 17) Other service activities related to reservations and related activities (PKD 79.90),
- 18) Creative activities related to culture and recreation (PKD 90.0),
- 19) Activities related to membership organizations, which are not classified elsewhere (PKD 94.99Z).

§19.

The Executive determines the principles for financial management and book-keeping, especially numbers employed, principles of remuneration and amounts allocated for salaries.

Changes in Statutes

§ 20.

1. Amendments to the Statutes cannot involve changing the fundamental nature of the Foundation's goals.
2. The Board makes decisions concerning amendments to the Statutes.

Merger with another Foundation

§ 21.

1. The Foundation can merge with another foundation in order to realize its goals more effectively.
2. Merger with another foundation cannot take place if this would fundamentally change the Foundation's goal.
3. The Board makes the decision concerning merging with another foundation and the vote required must be a two-thirds majority of Board members present at the meeting.

Liquidation of the Foundation

§ 22.

1. The Foundation is liquidated when the goals for which the Foundation was established have been achieved or when the financial resources and assets of the Foundation have been exhausted.
2. The decision concerning liquidation of the Foundation is made by the Board and the vote must be passed with a two-third majority of the Board members present at the meeting.
3. In liquidation, the Foundation assets are designated for the implementation of the Foundation's statutory goal as specified in § 5 of this statute.

Specific Provisions

§ 23.

The Foundation can create awards, medals and honorary titles and grant them with other awards and distinctions to meritorious people and institutions in recognition of their efforts

to realize the goals of the Foundation. Awards can be granted by the Board and/or by the Executive.