

The Statute

ARTICLES OF ASSOCIATION OF SIHTASUTUS TARTU KESKKONNAHARIDUSE KESKUS

The Articles of Association of Sihtasutus Tartu Keskkonnahariduse Keskus (the Tartu Environmental Education Centre Foundation) (hereinafter the Foundation) have been approved by the foundation resolution adopted on 8 April 2002.

1. General Provisions

- 1.1. The name of the Foundation shall be Sihtasutus Tartu Keskkonnahariduse Keskus.
- 1.2. The Foundation has been established for an unspecified term.
- 1.3. The financial year of the Foundation shall begin on 1 January and finish on 31 December.
- 1.4. The seat of business of the Foundation shall be the City of Tartu, the Republic of Estonia.

2. Objectives and Fulfilment Thereof

- 2.1. The objectives of the Foundation shall be:
 - 2.1.1. natural and environmental (hereinafter environmental) training of children, young people and adults;
 - 2.1.2. offering possibilities for going in for environmental hobbies;
 - 2.1.3. conducting environmental projects;
 - 2.1.4. dissemination of environmental information;
 - 2.1.5. promotion of a sustainable lifestyle.
- 2.2. In order to fulfil its objectives the Foundation:
 - 2.2.1. shall establish private schools for organising training events;
 - 2.2.2. shall organise training events in the form of courses, study and hobby circles, lectures, seminars, study camps, etc.;
 - 2.2.3. shall organise conferences, seminars, educational and environmental days, etc.;
 - 2.2.4. shall participate in educational and environmental projects, conferences, seminars, trade fairs, etc.;
 - 2.2.5. shall collect, publish and lend study materials and teaching aids;
 - 2.2.6. shall cooperate with institutions operating in the field of training as well as with other institutions in the Republic of Estonia and in foreign countries, with the Government of the Republic as well as with local governments and other voluntary associations and international organisations;
 - 2.2.7. shall create the material-technical base and infrastructure necessary for operation, fulfilment of the objectives and development of provision of training services of the Foundation;
 - 2.2.8. shall keep the accounting, statistical and other reporting;
 - 2.2.9. shall develop the economic activities directed at fulfilment of the objectives;
 - 2.2.10. may award grants.

3. Management of the Foundation

3.1. The bodies of the Foundation shall be the Management Board and the Supervisory Board.

3.2. The Foundation shall have a Management Board that manages and represents the Foundation. The Management Board shall consist of one to five members.

3.3. The Management Board of the Foundation:

3.3.1. shall make proposals to the Supervisory Board of the Foundation for approving the structure of the Foundation;

3.3.2. shall lay down criteria for personnel selection and conclude, amend and terminate employment contracts with the employees;

3.3.3. shall lay down the procedure for financial activities of the Foundation and the structural units thereof securing verification of the purposeful use of the funds, according consideration to applicable legislation, these Articles of Association and statutes of the structural units;

3.3.4. shall draw up the budget of the Foundation and present it for approval to the Supervisory Board, securing implementation of the budget of the Foundation, approve the budget of the structural units of the Foundation and check implementation of the budget of the structural units;

3.3.5. shall lay down the accounting policies and procedures as well as the salary organisation of the Foundation and the structural units thereof;

3.3.6. shall lay down the internal work procedure rules of the Foundation and the structural units thereof and approve the job descriptions of the employees;

3.3.7. shall lay down the documentary procedure rules of the Foundation;

3.3.8. shall lay down the rules of the Management Board that provide preparation of the meeting of the Management Board and the rules of procedure thereof;

3.3.9 shall prepare and adopt the work schedule of the Management Board;

3.3.10. shall lay down the procedure for reporting of a structural unit of the Foundation, prepare and submit the reports concerning the activities of the Foundation to the appropriate persons in accordance with the procedure prescribed by laws and other legislation and assuming liability for the accuracy of the reports of the Foundation;

3.3.11. shall, within two months following the quarter, present to the Supervisory Board a survey on the economic activities and economic situation of the Foundation furnishing necessary information to the Supervisory Board and in cases provided by law to other persons on the Foundation and the management thereof and, if necessary, present reports in relation to this;

3.3.12. shall present a list of auditors and members of the Supervisory Board to the register;

3.3.13. shall assess the activities of the structural units and the managers thereof;

3.3.14. shall form committees, if necessary, determine the size, membership and duties thereof;

3.3.15. shall perform any other duties and obligations connected with the Foundation that are not within the capacity of the Supervisory Board in accordance with the laws and these Articles of Association.

3.4. A member of the Management Board may, if necessary, authorise other persons to represent the Foundation to the extent determined by the Management Board.

3.5. Members of the Management Board shall be elected by the Supervisory Board for three years.

3.6. Members of the Management Board may be removed by the Supervisory Board only with good reason, which is particularly failure to perform obligations to a significant extent or inability to manage the Foundation.

3.7. The Supervisory Board shall appoint a new member in the place of the member removed from the Management Board not later than within one month as of removal of the member of the Management Board.

3.8. If the Management Board consists of more than two members, the members of the Management Board shall elect from among themselves a chairman of the Management Board who shall organise the activities of the Management Board.

3.9. A member of the Management Board shall be paid remuneration corresponding to their duties and the economic situation of the Foundation; the size and payment procedure thereof shall be determined by the Supervisory Board. The remuneration subject to be paid to a member of the Management Board shall not be higher than that paid for similar work in business.

3.10. The Foundation shall have the Supervisory Board that plans the activities of the Foundation and organises management of the Foundation and exercises supervision of the activities of the Foundation and the Management Board thereof.

3.11. The Supervisory Board shall consist of eight members. The members of the Supervisory Board shall be appointed for four years. The City of Tartu shall appoint to the Supervisory Board four members, one of whom shall be proposed by the Ministry of the Environment, the Estonian Agricultural University shall appoint one member, the public limited company AS Tartu Veevärk shall appoint one member and the Estonian Fund for Nature, the Estonian Association of Ornithology, Tartu Students Nature Protection Circle, Estonian Green Movement-FoE Non-Profit Association and Peipsi Center for Transboundary Cooperation shall jointly appoint two members.

3.12. The Supervisory Board of the Foundation:

3.12.1. shall adopt a resolution, upon a proposal of the Management Board, on the development strategy of the Foundation, approving each year the activity plan and budget of the Foundation for the following year;

3.12.2. shall, according consideration to the terms and conditions specified in these Articles of Association and the procedure laid down by the Supervisory Board, determine the number of members of the Management Board and elect members of the Management Board. The membership of the new Management Board shall be determined within the two last months of the three-year authorisation period of the previous Management Board;

3.12.3. shall adopt a resolution on acquisition and termination of holdings in a company;

3.12.4. shall adopt a resolution on acquisition and transfer or encumbrance with a real right of immovables as well as movables subject to entry in the register, as well as borrowing;

3.12.5. shall determine the number of auditors and nominate auditors for three years for auditing the activities of the Foundation and adopt a resolution on the procedure for remuneration of the work of the auditor(s). The remuneration subject to be paid to an auditor shall not be higher than that paid for similar work in business;

3.12.6. shall be entitled to remove an auditor due to violation of the requirements of a law or the Articles of Association as well as failure to perform their obligations or unsatisfactory performance thereof;

3.12.7. shall approve, on the proposal of the Management Board, the structure of the Foundation;

3.12.8. shall adopt a resolution on establishment of a private school and approve the articles of association of the private school;

3.12.9. shall approve the annual report and the management report of the Foundation presented by the Management Board;

3.12.10. shall adopt a resolution on amendment of the Articles of Association of the Foundation;

3.12.11. shall adopt a resolution on merger, division and dissolution of the Foundation;

3.12.12. shall represent the Foundation in disputes and conclusion of transactions with a member of the Management Board.

3.13. In order to perform their duties the Supervisory Board shall be entitled to examine all the documents of the Foundation and to audit the accuracy of accounting, existence of the assets as well as conformity of the activities of the Foundation to the law and the Articles of Association.

3.14. A member of the Supervisory Board may be removed by the person or the persons who appointed them if the member of the Supervisory Board damages the Foundation with their activities or the member is unable to participate in the work of the Foundation. The person or the persons who appointed the removed member of the Supervisory Board shall appoint a new member in their place not later than within two months as of removal of the member of the Supervisory Board.

3.15. The members of the Supervisory Board shall elect from among themselves a chairman of the Supervisory Board who shall organise the activities of the Supervisory Board. All members of the Supervisory Board shall have to participate in election of the chairman of the Supervisory Board.

3.16. The meetings of the Supervisory Board shall take place in accordance with the need, but not less often than once a quarter. The meeting shall be called by the chairman of the Supervisory Board or a member of the Supervisory Board substituting them. The meeting shall be called in cases specified above as well as if this is required by a member of the Supervisory Board, the Management Board or an auditor.

3.17. The meeting of the Supervisory Board shall have a quorum if more than half of the members of the Supervisory Board participate in it. A resolution of the Supervisory Board shall be adopted if more than half of the members of the Supervisory Board present at the meeting vote in favour, unless otherwise specified in the law or the Articles of Association. Upon equal division of votes, the vote of the chairman of the Supervisory Board shall be decisive.

3.18. The meeting of the Supervisory Board where resolutions on issues specified in clauses 3.12.10 and 3.12.11. of these Articles of Association shall be adopted cannot be held in accordance with the procedure provided in clause 3.19. of the Articles of Association and all members of the Supervisory Board shall have to participate in the meeting.

3.19. The Supervisory Board may, by way of exception, adopt a resolution without calling a meeting if three-fourths of the members of the Supervisory Board vote in favour of the resolution.

3.20. Minutes shall be taken of the meeting of the Supervisory Board. The minutes shall be signed by the chairman of the Supervisory Board or a member of the Supervisory Board substituting them and the person taking the minutes of the meeting. Minutes shall record a dissenting opinion of a member of the Supervisory Board that the member shall confirm with their signature.

3.21. A member of the Supervisory Board may be paid remuneration corresponding to their duties and the economic situation of the Foundation; the size and payment procedure thereof shall be determined by the founders. The remuneration subject to be paid to a member of the Supervisory Board shall not be higher than that paid for similar work in business.

4. Meeting of the Founders

4.1. The founders shall exercise the rights of a founder at the meeting of founders that shall be called not less than once in two (2) years. The right to call a meeting of the founders shall be with the Management Board, Supervisory Board or at least three founders of the Foundation. The notice calling the meeting shall be sent to the founders with notice of delivery by letter wherein the time, place and agenda of the meeting shall have to be indicated, whereas the notice shall have to be sent out not later than ten (10) days before the meeting.

4.2. The meeting of the founders shall have a quorum if not less than 51% of the founders participate in it and a resolution shall be deemed adopted if not less than 51% of the founders vote in favour. Each founder shall have one vote. The persons permitted to participate in the meeting include the founder themselves or their representative who has been granted authorisation in writing. In cases specified by law the founders shall be entitled to exercise their rights only jointly.

4.3. If the meeting of the founders does not have a quorum, the persons calling the meeting shall be entitled to call a new meeting with the same agenda within one month, but not earlier than within twenty (20) days as of the first meeting. The second meeting shall be called in accordance with the procedure provided in clause 4.1. The second meeting shall have a quorum regardless of the number of founders participating in the meeting. This clause shall not be applicable in cases provided by law when the founders shall be entitled to exercise their rights only jointly.

4.4. Minutes shall be taken of the resolution of the meeting of the founders and the minutes shall be signed by the chairman of the meeting and the person taking the minutes of the meeting. A list of founders present at the meeting along with their signatures and the authorisations of the representatives shall form an inseparable part of the minutes.

5. Assets of the Foundation

5.1. The Foundation as the owner of its assets shall exercise the possession, use and disposal of the assets of the Foundation through the Management Board in accordance with the law and these Articles of Association.

5.2. The assets of the Foundation shall be formed of:

5.2.1. the assets transferred to the Foundation in accordance with the foundation resolution;

5.2.2. the funds to be received from the sales of the training services and other services;

5.2.3. the allocations from the state, city and rural municipality budgets intended for a specific

purpose;

5.2.4. the revenue received from the economic activities and organisation of events;

5.2.5. the donations, subsidies and other funds immobilised by third persons;

5.2.6. other proceeds.

5.3. The assets of the Foundation may be used and disposed of with a view to fulfilling the objectives of the Foundation.

5.4. The monetary donations to be delivered to the Foundation shall be accepted by the Management Board, which shall transfer these into the bank account of the Foundation.

5.5. The non-monetary funds to be received by the Foundation shall be accepted by the Management Board, which shall assess these and conclude the transactions necessary for transfer of the right of ownership to the Foundation.

5.6. The donations intended for a specific purpose and received by the Foundation shall be registered by the Management Board with a corresponding notation and these shall be used in accordance with the donor's desire. The Management Board of the Foundation may not accept appropriations that do not coincide with the objectives of the Foundation or have been made with unethical or illegal objectives.

5.7. Resolutions on the use and disposal of the assets within the framework of everyday economic activities shall be adopted by the Management Board of the Foundation.

6. Amendment of the Articles of Association

6.1. The Supervisory Board may amend the Articles of Association only in order to accord consideration to the changed circumstances adhering to the objective of the Foundation. The objective of the Foundation may not be amended.

7. Merger, Division, Dissolution of the Foundation

7.1. Merger or division of the Foundation shall be permitted in case it contributes to the achievement of the objective of the Foundation or if, upon continuation of activities in their present form, the objective cannot be achieved.

7.2. A resolution on use of the name of the Sihtasutus Tartu Keskkonnahariduse Keskus Foundation upon merger or division of the Foundation shall be adopted pursuant to a separate agreement.

7.3. The Foundation shall be dissolved in accordance with the procedure established by law. The Supervisory Board may dissolve the Foundation if circumstances change in such a way that there exist no possibilities and need for achieving the objective of the Foundation.

7.4. The right to adopt a resolution on dissolution of the Foundation shall be with the Supervisory Board. The dissolution resolution shall be considered adopted if all members of the Supervisory Board have voted in favour.

7.5. Upon dissolution of the Foundation, after satisfaction of all claims of creditors and the deposit of money, the remaining assets shall be delivered upon a resolution of the liquidators to a non-profit association or a foundation with a similar objective and operating or being founded in the City of Tartu.