

Statute of "ARTS" - Foundation for the Arts, Adventure and Pleasures

CHAPTER I General Provisions

§ 1.

"ARTS" - Foundation for Art, Adventure and Pleasures, hereinafter referred to as the Foundation, established by Agnieszka Dudek and Grzegorz Duda, hereinafter referred to as the Founders, notarial deed drawn up by the Notary Iwona Palmirska in the notary office in Krakow Repertory A No. 17927/2008 dated 22.08.2008. The Foundation operates under the provisions of the Act on Foundations dated 6 April 1984 (Journal of Laws of 1984., No. 21 item 97 with later amendments.), the Act on Public Benefit and Volunteer Work dated 24 April 2003 (Journal of Laws of 2010., No. 234, item 1536 with later amendments) and under this Statute.

§ 2.

1. The Foundation shall have legal personality.
2. The duration of the Foundation's action is unlimited.

§ 3.

The main office of the Foundation is located in Myślenice town.

§ 4.

The Foundation is supervised by the minister responsible for culture and protection of national heritage.

§ 5.

1. The Foundation operates in the Republic of Poland.
2. To fulfil the purposes of the Foundation, it may operate in home country and abroad.
3. For the purposes of cooperation with other countries the Foundation may use the translation of its name in selected foreign languages.

§ 6.

1. The Foundation uses a stamp with an inscription indicating its name and registered office.
2. The Foundation may establish badges, medals, titles of honor as well as other prizes and awards and grant them to individuals and legal.

§ 7.

1. In order to fulfill statutory purposes and improve communication, the Foundation may establish permanent and temporary local offices.
2. The decision to create a local offices shall be made by the Board of the Foundation.
3. The Management Board shall specify the scope of local offices' activities in the Regulations.

CHAPTER II

The Foundation's objectives, tasks and forms of activities

§ 8.

The objectives of the Foundation are:

- 1) raising awareness of the wealth of cultural heritage and historical links between the Polish and Europe
- 2) shaping the cultural identity of the society,
- 3) social integration and development of the information society,
- 4) cultivating local achievements and cultural heritage in the field of old and contemporary art,
- 5) upbringing the new generations of artists and consumers of art,
- 6) improving the quality of life in the local communities,
- 7) aligning social and professional status of women and men,
- 8) improving entrepreneurship and communication skills,
- 9) promoting healthy lifestyles, preventing addictions and social pathologies,
- 10) integration between generations,
- 11) exploring and promoting the development of artistic talent among children and youth,
- 12) cooperation with local government units and cultural institutions to the extent consistent with the Foundation's statutory objectives ,
- 13) educational and promotional activities for the development of cross-sectoral cooperation and civic participation,

14) activities supporting training, informational and financially:

- a) non-governmental organizations,
- b) legal persons and organizational units acting on the basis of the relations between the State and the Catholic Church in the Republic of Poland, relations between the State to the other churches and religious communities and the guarantees of freedom of conscience and religion, if their statutory objectives include carrying out public benefit activities,
- c) local government units and associations of local governments,
- d) individuals,

15) organization of volunteering, including European Voluntary Service.

§ 9.

The Foundation achieves its goals through:

- 1) organization of cultural, artistic, scientific, educational and recreational activities such as festivals, competitions, reviews, concerts, exhibitions, fairs, conventions, meetings, film screenings, happenings, open airs, entertainment events, creative stays, artistic workshops both stationary and away-from-home ,
- 2) organizing meetings of professional artists with non-professional ones,
- 3) activities that integrate people without disabilities with those who are disabled,
- 4) publishing: books, brochures, information bulletin,
- 5) organizing and conducting of conferences, symposiums, courses, lectures, trainings, seminars and consultations,
- 6) organization of exchange of cultural and artistic achievements of individuals and artistic teams representing different cultural regions in the country and abroad,
- 7) The production and distribution of films, television and radio broadcasts,
- 8) organization of study visits and internships,
- 9) promotional and information activities,
- 10) The financial support for individuals and institutions, as well as re-granting.

§ 10.

1. The Foundation may accept the tasks in terms of:

- 1) culture, art, protection of cultural heritage and traditions of Poland and Europe
- 2) maintaining national tradition, cultivating and development of Polish national, civil and cultural consciousness,
- 3) activities concerning people with disabilities and socially dysfunctional,
- 4) activities supporting the development of local communities,

- 5) promotion and organization of volunteering
- 6) activities for European integration and the development of contacts and cooperation between societies,
- 7) creating a positive image of local communities and regions,
- 8) the development of entrepreneurship and activity in the labour market of local communities,
- 9) teaching human relations and interpersonal skills,
- 10) improving the standard of women's professional life and alignment of their professional status with men;
- 11) the promotion of healthy lifestyle, counteracting addictions and social pathologies, through, for example, artistic activities;
- 12) production and distribution of films, television and radio broadcasts;
- 13) leading a support center for NGOs.

2. The Foundation Board decides about acceptance of the tasks to be carried out.

§ 11.

To achieve its goals, the Foundation can work with other institutions and organizations whose activities are consistent with the goals of the Foundation.

§ 12.

1. Foundation may carry out payable and free of charge public benefit activities.
2. Statutory activities of the Foundation, referred to in § 9 of the Statute of are a public benefit activities carried out by the Foundation as an activity free of charge. However, the activities specified in § 9 points. 1, 4, 5, 7 and 9 can also be payable.
3. The public benefit activities carried out by the Foundation shall be selected in a proper way as to identify them in terms of organization and accounting according to the relevant accounting rules.
4. The income from payable public benefit activity is solely intended carrying public benefit activities.
- 5 The income of the Foundation (excess of revenues over costs) is fully spent on public benefit activities.

§ 13.

The Foundation may establish funds, awards and scholarships.

CHAPTER III

The Foundation's assets and income

§ 14.

In order to fulfill statutory purposes of the Foundation the Founders devote 2000 PLN (in words: two thousand zloty) granted in the notarial act of establishment the Foundation.

§15.

1. The Assets of the Foundation consists of the initial fund mentioned in § 14, and the funds listed in pasage 2 of this paragraph .
2. The funds for fulfilling the statutory purposes of the Foundation and its activities cover the costs may be derived from:
 - 1) the initial fund,
 - 2) subsidies, grants and subventions,
 - 3) donations, inheritance, legacies, securities and movable property and real estate donated to the Foundation by individuals and legal entities
 - 4) income from fund-raising and public events,
 - 5) income from property,
 - 6) interest on capital deposits and the securities
 - 7) income from payable statutory activities and so-called "One percent"
3. The Foundation does not accept payment in cash on value of € 15,000 or more, also through more than one operation.

§ 16.

Donations, inheritance and legacies can be used to fullfil all the purposes of the Foundation, as long as the donors do not decide otherwise. The decision of the donors must be consistent with the statutory objectives of the Foundation.

§ 16a.

It is forbidden to:

- a) make loans or secure obligations by the Foundation's assets as regards to its members, board members or employees as well as people with whom members and staff members of the organization are married, in cohabitation or consanguinity or affinity in a straight line, consanguinity or affinity in the collateral line to the second degree or are tied by adoption, custody or guardianship, hereinafter referred to as "relatives",

- b) It is forbidden to donate the the organization assets to its members, board members or employees and their relatives, on terms different than to third parties, especially, if the donation is free of charge or on preferential terms.
- c) It is forbidden to use the assets for the benefit of members, board members or employees and their relatives on terms different than to third parties, unless it results directly from the use of the statutory purpose.
- d) It is forbidden to buy goods or services from entities in which members of the organization, the board members, employees or their relatives are involved, on terms different than in relation to third parties, or at prices higher than the market.

CHAPTER IV

The Foundation bodies

§17.

1. The Foundation's bodies are:
 - 1) the Council of the Foundation
 - 2) the Board of the Foundation.
2. The Foundation Council consists of three to seven members and is nominated for unlimited duration.
3. The first Council and its chairman is appointed by the Founders in the form of a resolution.
4. The Chairman of the Council shall direct the work the Council, represents it externally as well as convenes and chairs the meetings of the Council.

The chairman's term of office lasts two years. The Chairman may serve more than one term.
6. Council shall elect a Chairman from among its members in the form of a resolution (withhaving regard to §17.3.).
7. The Foundation Council shall meet at least once a year.
8. Meetings of the Council shall be convened by the Chairman on his own initiative, at the request of half of the Council members or at the request of the Founders.
9. All members of the Council must be informed about their meetings (by SMS, e-mail or by registered letter).
10. The Foundation Council shall adopt resolutions by a simple majority of votes in the presence of at least half of the members of the Council, if the Foundation Statute does not provide otherwise. In case of equal number of votes, the Chairman shall decide.

11. The Council may establish rules on its operation.

§ 18.

1. The Founders may be appointed to the The Council of the Foundation. The Council shall appoint the following members of the Council, to replace those who have ceased to hold office or to extend the composition of the Council.
2. Membership in the Council expires due to death, illness causing permanent inability to perform the function, loss of civil rights, waiver or cancellation of membership. Council resolutions concerning appealing or appointing members of the Board are adopted by a simple majority of votes in the presence of at least half of the members of the Council.
3. To dismiss or appoint a a Member Council may take a decision (by a majority of two thirds of votes in the presence of at least half of the members of the Council) about voting by secret ballot.
4. The Foundation Council members may be employed by the Foundation.
5. The Foundation Council members:
 - 1) shall not be members of the management body nor be married with them, in cohabitation, consanguinity, affinity or subordination;
 - 2) must not be convicted by valid sentence for an intentional crime prosecuted by indictment or a fiscal offense.
 - 3) may receive reimbursement of reasonable costs or remuneration for serving on such bodies. The remuneration must not be higher than the average monthly salary in enterprise sector announced by the Central Statistical Office for the previous year.

§ 19.

The Council's tasks include:

- 1) supervision on the Foundation activities,
- 2) setting main directions for the Foundation activities,
- 3) appointing and dismissing members of the Board (with having regard to §20.3.)
- 4) approval of the annual activity reports prepared by the Board of the Foundation,
- 5) decision to liquidate the Foundation,
- 6) decision to change the statutes of the Foundation.

§ 20.

1. The Foundation Board consists of three to five members who are nominated by the Foundation Council for two-year term. The Board member may serve more than one

term.

2. Board Members must not be convicted by valid sentence for an intentional crime prosecuted by indictment or a fiscal offense.
3. The first Board and its Chairman and Vice-chairman shall be appointed by the Founders in the form of a resolution.
4. Membership in the Board expires when the term finishes, due to death, illness causing permanent inability to perform the function, loss of civil rights, waiver or cancellation of membership.
5. The Board members may be dismissed by the Foundation Council before the end of the term by a resolution with majority of two thirds of votes in the presence of at least half of the members of the Council.
6. The Council takes decisions about secret ballot concerning appealing members of the Board by a simple majority of votes in the presence of at least half of the members of the Council.
7. If the new composition of the Board is not appointed when the term expires, the current Management Board performs its functions until the time they were placed by the new Board.
8. At the first meeting the Management Board shall elect from among its members the Chairman and Vice-chairman by resolution.
9. The Foundation Board shall take its decisions in the form of resolutions at meetings. The resolutions are adopted by a simple majority of votes in the presence of at least half of the members of the Board. In case of equal number of votes, the Chairman shall decide.
10. All members of the Board must be informed about their meetings (by SMS, e-mail or by registered letter).
11. Meetings of the Board shall be convened by the Chairman: on his own initiative, at the request of half of the Board members or at the request of the Founders.
12. The Board may establish rules on its activities.

§ 21.

1. The Board members may receive remuneration, if the Board adopt a resolution on the amount of remuneration.
2. Board members may be employed by the Foundation.

§22.

The Foundation Board shall make decisions on all matters which are not transferred to the

competence of other bodies or agencies, especially:

- 1) management of the Foundation activities
- 2) managing the assets of the Foundation,
- 3) representing the Foundation externally,
- 4) organising and supervising the Foundation activities,
- 5) creating, liquidation and supervising organizational units and setting their responsibilities,
- 6) setting rules of procedure,
- 7) preparing the annual activity and financial reports
- 8) organization and selection of staff and setting salaries for the Foundation's office staff,
- 9) adoption of a resolution on registration of public benefit organization status.

§23.

1. The Chairman and Vice-chairman of the Foundation Board shall submit declaration of will on behalf of the Board the following cases:
 - 1) in matters not related to the financial obligations above 2,000 zloty (two thousand zloty);
 - 2) in matters concerning legal actions in relation to the Foundation employees.
2. In other cases, declaration of will on behalf of the Foundation shall be submitted by:
 - 1) The Chairman and Vice-chairman acting together,
 - 2) The Chairman or Vice-chairman with the Board Member acting together.

CHAPTER V

Amendments to the Statutes, Liquidation of the Foundation, Final Provisions

§ 24.

1. The Statute may be amended by a resolution of the Foundation Council.
2. The change may concern all provisions of the statute.
3. The Council shall accept changes in the statute by majority of two thirds of votes in the presence of at least half of the members of the Council.

§ 25.

1. The Council may decide to liquidate the Foundation as a result of achieving the

objectives or running out of funds.

2. The Council may adopt a resolution on liquidation of the Foundation by majority of two thirds of votes in the presence of at least half of the members of the Council.
3. If the Council in its resolution does not appoint liquidators, liquidation of the Foundation is carried out by the Board.
4. The assets remaining after liquidation of the Foundation will be donated to charitable purposes to NGOs working on Polish territory, whose statutory objectives are similar to the objectives of the Foundation. The Foundation Board will indicate these organizations in its liquidation resolution.

§ 26.

The Statute shall enter into force when it is registered by the Court.