

CESARE SPREAFICO  
NOTARY PUBLIC

Registered in Cantù, On 22/10/2008 at no. 5270 S. 1T Eur 168.00
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Exempt from tax duty pursuant to Article 27-bis of the Table enclosed to Presidential Decree no. 642 dated 26 October 1972, as supplemented by article 17 of Legislative Decree no. 460 dated 4 December 1997.

Notarial record no. 766, file no. 509

### **INCORPORATION OF A NON-PROFIT ASSOCIATION**

#### REPUBLIC OF ITALY

On this tenth day of the month of October two thousand and eight, in Erba, Italy, Corso XXV Aprile no. 62, before me, Dr. Cesare Spreafico, Notary Public in Mariano Comense, registered in the Joint Notarial Districts of Como and Lecco, the following persons appeared:

**PIZZAMIGLIO MARIA LUISA**, born in Erba on 15 February 1959, residing in Erba, via Leopardi n. 3/A, tax code: PZZ MLS 59B55 D416X;

**BENAGLIA LEONARDO**, born in Erba on 17 January 1987, residing in Erba, via Leopardi n. 3/A, tax code: BNG LRD 87A17 D416T;

**DUGO SEBASTIANO ROBERTO**, born in Erba on 6 June 1952, residing in Erba, Via Adua n. 14, Tax Code: DGU SST 52H06 D416X,

all Italian citizens.

The appearing parties, of whose personal identity I the Notary am certain, hereby stipulate and agree as follows:

1) An association is hereby incorporated by the appearing parties under the name:

#### **"SOLIDARIETA' KENYA ONLUS"**

2) The registered office of the association is in Erba, Italy.

The association may open and close branch offices, subsidiaries and agencies elsewhere in Italy.

The current address of the association is at via Leopardi no. 34, Erba, Italy; any change to the foregoing address shall not be an amendment to the memorandum of association.

3) The association is a nonprofit organisation and only pursues social solidarity and charitable purposes, with a view to contributing to the economic and social support of the countries under development. Special attention will be paid to Kenyan people and, more specifically, to children related problems, to orphaned, abandoned or sick children.

In order to achieve its purposes, the association intends to promote solidarity and sustain activities to the benefit of people living in developing countries and specifically:

- to mitigate their indigence conditions through donations of first necessity goods, whether foodstuffs or consumer goods in general, including clothing, blankets, food and medicinal products;
- to contribute, directly or jointly with other Italian or foreign associations, bodies, private or public entities, to the construction of infrastructures where not already existing, or the renewal or restructuring of same if already present in the territory, including, without limitation, schools, wells, sewerage systems or water distribution systems, hydroelectric systems and any other facility which is liable to improve the social and economic conditions of people, ensuring the preservation and protection of the surrounding landscape;
- to promote the long distance adoption of children in need;
- to organize fundraising activities in the Italian territory and promote the knowledge of the traditions and culture of these countries.

The association cannot carry out activities other than those above specified, unless directly connected to them and, in any event, not on a prevailing basis.

To achieve its purposes, the association can also promote, from time to time, public fundraising events, including by offering goods of a limited value or services to the subsidizers concurrently with celebrations, anniversaries or sensitization campaigns.

In any event, the association may engage in any activity that is connected with and/or ancillary to those above specified, as well as carry out any actions and enter into any contractual dealings involving real estate or personal property, as may be required or useful for the achievement of the association's purposes and with reference thereto.

4) The association shall have an unlimited duration.

5) Any person who so applies to the Managing Board may become a member of the association; said application shall contain a statement of the applicant's intention to share the purposes of the association and the undertaking to accept and abide by its articles of association and regulations, if any.

The association members who have not resigned in writing on or before 31 December of each year shall be considered members also for the following year and bound to pay their annual membership fee.

Membership fees cannot be assigned or revalued.

The Managing Board verifies if the applicant is eligible for membership and, if so, the application is granted.

The eligibility requirements are following:

- being of age;

- not belonging to associations and entities that are contrary to the purposes of the association.

6) All members are entitled to:

- a) attend the members' meeting and vote directly thereat;
- b) be made aware of the programs by which the association intends to implement its purposes;
- c) take part in the activities promoted by the association;
- d) benefit from all of the association's services;
- e) resign at any time.

The association members are obliged to:

- a) abide by the Articles of association and the resolutions adopted by the association bodies;
- b) carry out the activities agreed upon in advance;
- c) behave in a manner consistent with the association's mission.

7) The association's assets are made up as follows:

- the initial endowment, consisting of the sums of money paid in by the funding members;
- contributions paid by the members to increase the endowment fund, as well as any contribution or gift howsoever received for the same purposes;
- contributions from public entities and other natural and legal persons;
- reserve funds, if any, created using budget surpluses;
- real and personal property of which the association may become the owner in any manner and for any reason whatsoever.

8) The association is regulated by this Memorandum of association and by the Articles of association which contain the rules that govern its operation and administration and which, signed by the appearing parties and by me, the notary, are attached hereto as Annex "A" and made an integral and substantive part of this deed.

9) The persons above described are the first group of members, named funding members.

The Managing Board of the association is composed of Messrs:

- PIZZAMIGLIO MARIA LUISA, as above described;
- CAVALLINI MARINA born in Erba, Italy on 2 May 1982, residing at Erba, via Plinio n. 25;
- DILDA ANNALISA born in Erba, Italy on 24 November 1985, residing at Erba, via Trieste n. 10/A;
- IATOMASI MARINO born in Erba, Italy on 23 March 1984, residing at Erba, via Bellini n. 14;

- ROBBIO MARIAPAOLA, born in Lecco, Italy on 3 November 1960, residing in Erba, via Leopardi n. 4;
- PIZZAMIGLIO GIULIANA, born in Formigliana, Italy on 16 April 1956, residing in Oliveto Lario;
- QUAGLIANI MONICA, born in Cantù, Italy on 13 October 1987, residing in Merone, via Crispi n. 16.

Mrs. PIZZAMIGLIO MARIA LUISA was appointed Chairman, whereas Mrs. ROBBIO MARIAPAOLA was elected Deputy Chairman and Mr. IATOMASI MARINO would act as Secretary/Treasurer.

Mrs. PIZZAMIGLIO MARIA LUISA accepted her appointment and declared that she is not ineligible pursuant to the law.

The Chairman shall notify the persons so appointed and obtain their acceptance of office. If the persons so appointed fail to accept their office, a members' meeting shall be called to adopt the appropriate resolutions.

The Chairman, in his capacity as the legal representative of the association, is hereby authorised to bind the name of the association incorporated today in all its deeds and transactions.

The Managing Board and its Chairman shall be vested with the powers specified in the Articles of association attached to this document.

All costs of this deed and the taxes arising herefrom shall be charged to the association.

I, the Notary, having been so requested, have read this deed and the enclosed Articles of association to the appearing parties who approved and signed it with me at seventeen thirty.

This deed, typed by a person trusted by me and completed by me by hand, is composed of two sheets of legal paper and occupies seven full pages thereof and the eighth up to here.

Signed: Pizzamiglio Maria Luisa

Signed: Benaglia Leonardo Firmato: Sebastiano Roberto Dugo

Signed: Cesare Spreafico, Notary Public (L.T.)

Annex "A" to the deed bearing the notary's record no. 766/509

## **ARTICLES OF ASSOCIATION**

### **Art. 1 - Incorporation**

An association has been incorporated under the name: "SOLIDARIETA' KENYA ONLUS"

The association shall have an unlimited duration.

The registered office of the association is in Erba, Italy.

The association may operate both on the domestic territory and abroad.

The association is independent of political parties, has a democratic structure and contents and its duration is unlimited.

The association is governed by these articles, by Italian Law no. 383/2000 and by all other applicable rules, including regional rules, that regulate nonprofit organisations.

The members' meeting may, by its resolution, open and close places of business and branches, as well as join other associations and/or entities, whenever this may be useful to achieve the association's purposes.

### **Art. 2 - Purposes**

The association is a nonprofit organisation and only pursues social solidarity and charitable purposes, with a view to contributing to the economic and social support of the countries under development. Special attention will be paid to Kenyan people and, more specifically, to children related problems, to orphaned, abandoned or sick children.

In order to achieve its purposes, the association intends to promote solidarity and sustain activities to the benefit of people living in developing countries and specifically:

- to mitigate their indigence conditions through donations of first necessity goods, whether foodstuffs or consumer goods in general, including clothing, blankets, food and medicinal products;
- to contribute, directly or jointly with other Italian or foreign associations, bodies, private or public entities, to the construction of infrastructures where not already existing, or the renewal or restructuring of same if already present on the territory, including, without limitations, schools, wells, sewerage systems or water distribution systems, hydroelectric systems and any other facility which is liable to improve the social and economic conditions of people, ensuring the preservation and protection of the surrounding landscape;
- to promote the long distance adoption of children in need;
- to organize fundraising activities in the Italian territory and promote the knowledge of the traditions and culture of these countries.

The association cannot carry out activities other than those above specified, unless directly connected with them and, in any event, not on a prevailing basis.

To achieve its purposes, the association can also promote, from time to time, public fundraising events, including by offering goods of a limited value or services to the subsidizers concurrently with celebrations, anniversaries or sensitization campaigns. In any event, the association may engage in any activity that is connected with and/or ancillary to those above specified, as well as carry out any actions and enter into any contractual dealings involving real estate or personal property, as may be required or useful for the achievement of the association's purposes and with reference thereto.

**Art. 3 - Members**

The Members may either be:

- a) Funding members, or
- b) Ordinary Members.

The funding members are those who incorporated the association.

Ordinary members are the members duly registered in the members book of the association, other than the funding members.

The number of the members is unlimited.

**Art. 4 - Eligibility and exclusion of Members**

To become a member of the association, application shall be made to the Managing Board, specifying the commitment to accept without reservations the purposes and mission of the association as the same are laid down in these Articles.

Upon their admission, the members shall pay their membership fee in advance, as established by the Managing Board pursuant to article 5 below.

The association members who have not resigned in writing on or before 31 December of each year shall be considered members also for the following year and bound to pay their annual membership fee.

The membership fee cannot be assigned or revalued.

The Managing Board verifies if the applicant is eligible to become a member and, if so, the application is granted.

The eligibility requirements are following:

- being of age;
- not belonging to associations and entities that are contrary to the purposes of the association.

A member ceases from being such in the following events:

- voluntary resignation;
- intervening impossibility of performance of the services agreed upon;
- if any one of the eligibility requirements ceases to exist;
- exclusion.

The Managing Board may resolve on the exclusion of any member and explain the reasons therefor on the following grounds:

- a) the member's behaviour is inconsistent with his obligations hereunder;
- b) a member breaches his obligations laid down herein or in any regulations or resolutions of the members' meeting;
- c) a member has engaged in activities that are openly clashing and/or in competition with the association's activities;
- d) the membership fee is not paid within six months of its due date.

The Managing Board is vested with the power to reject any membership application or to expel any member by Board resolution.

**Art. 5 - Members' rights and duties**

On or before 31 March of each year, the Managing Board establishes the minimum membership fee; absent such resolution, the membership fee then in force will be confirmed also for the following year.

Membership does not entail *per se* any funding or other monetary obligation over and above the payment of the annual fee.

Nevertheless, members may make additional contributions.

All members are entitled to:

- a) attend members' meetings and vote directly thereat;
- b) be made aware of the programs by which the association intends to implement its purposes;
- c) take part in the activities promoted by the association;
- d) benefit from all of the association's services;
- e) resign at any time.

The association members are obliged to:

- a) abide by these Articles of association and the resolutions adopted by the association bodies;
- b) carry out the activities previously agreed upon;
- c) behave in a manner consistent with the association's mission.

In case of special requirements, the association may hire employees or obtain the services of self-employed people.

The services rendered by members are gratuitous and members are not allowed to receive remunerations and/or fees, even from the parties who benefited therefrom.

Subject to the above, the Managing Board may decide to remunerate the members who rendered particular services inside or in favour of the association.

Said remuneration, as well as the refund of all expenses sustained for the activities carried out (within the limits established beforehand by the Board) and the terms of payment shall be established by the Managing Board pursuant to article 9 below.

Irrespective of the members' classification, all members shall enjoy equal rights with respect to the association.

The election of the association's officers shall in no event be conditioned or restricted but shall be prompted by such criteria as to ensure the maximum liberty to elect and be elected.

In case of activities carried out pursuant to conventions with Public Entities, the association shall insure its members that perform such activities against the relevant accidents and diseases, as well as for third party liability.

Insurance coverage is an essential element of the foregoing conventions and the cost thereof shall be the responsibility of the entity with which the convention has been entered into.

**Art. 6 - Association's assets and economic resources**

The association's assets are made up as follows:

- the initial endowment, consisting of sums of money paid in by the funding members;
- contributions paid by members to increase the endowment fund, as well as any contribution or gift howsoever received for the same purposes;
- contributions from public entities and other natural and legal persons;
- reserve funds, if any, created using budget surpluses;
- real and personal property of which the association may become the owner in any manner and for any reason whatsoever (e.g., legacies, donations and estates).

The association's receipts are represented by:

- a) membership fees and contributions from members;
- b) estates, donations and legacies;
- c) contributions from the Government, the Regions, Local Entities, public entities or institutions, including those directed at supporting specific and documented programs to be implemented in the context of the association's purposes;
- d) contributions from the European Union and international Organizations;
- e) receipts from contractual services rendered;
- f) proceeds from the transfer of goods and services to members and/or third parties, including through the implementation of economic activities of a commercial, handicraft or agricultural nature, carried out on an ancillary and subsidiary basis and directed, in any event, at the achievement of the association's purposes;
- g) voluntary contributions from the members and third parties;
- h) income from promotional actions directed at self-financing, e.g. fairs and subscriptions, including prize draws;
- i) other income consistent with the association's social promotion purposes.

All payments to the endowment fund, membership fees, contributions, donations, gifts and any other payment howsoever received shall not be returned.



In no event will any sum paid to the association be returned, including in case of winding up, dissolution, death, withdrawal or exclusion.

Any such payment is not liable to give rise to other participation rights and, particularly, to create undivided participation quotas that can be assigned to third parties either by particular inheritance or by universal inheritance; any revaluation of the sums paid to the association is excluded.

Funds are deposited with a Bank institution selected by the Managing Board.

**Art. 7 - Association Bodies**

The association bodies are:

- The Chairman;
- The Managing Board;
- The Members' Meeting;
- The Board of Statutory Auditors.

**Art. 8 - The Chairman, Deputy Chairman and the Secretary/Treasurer**

The Chairman is elected by the Managing Board among its members with the majority of the votes cast and is vested with the following powers/authorities:

- to sign on behalf of the association and legally represent the same before third parties and in court;
- to collect money and accept donations of any type and for any reason from the Public Administration, public and private entities and persons of any legal status, and to issue valid receipts and releases therefor;
- to retain lawyers and to appoint attorneys *ad lites* in any cases started by or against the association before any judicial and administrative authorities;
- to call and chair the members' meetings and the Managing Board's meetings.
- Whenever required or in case of urgency, the Chairman shall adopt the measures falling within the competence of the Managing Board, subject to their ratification at the first Board meeting thereafter.
- In case of absence, impossibility to act or cessation from his office, the Chairman's duties are performed by the Deputy Chairman, who shall call a meeting of the Managing Board to approve the relevant resolution. The Deputy Chairman's signature shall prove in all respects the absence of the Chairman due to his impossibility to act vis-à-vis the association members, third parties and all public offices.

The Secretary/Treasurer, if elected, shall cooperate with the Chairman and perform the following main duties:

- he handles the association's correspondence;
- he is responsible for drafting and keeping the minutes of the members' meetings, of the Managing Board's meetings and of the meetings of any Working Groups;
- he draws up the proposed budget and year-end accounts;

- he sees to the collection of receipts and the payment of expenditures in conformity with the decisions of the Chairman and/or the Managing Board.

**Art. 9 - The Managing Board**

The Managing Board will be formed of a number of members comprised of a minimum of three to a maximum of twelve, selected by the association members' meeting that will establish such number, always uneven, at the time of their election.

The Managing Board shall remain in office three years and its members can be re-elected.

In case of resignation or cessation from office of one or more Board members during their mandate, the Managing Board will co-opt other members to replace those no longer in office.

The Board member so appointed will remain in office until the natural expiry of the mandate of the Managing Board then in office.

If the majority of the Board members cease to be in office for any reason whatsoever, the entire Managing Board will be considered to be no longer in office and a new Board will have to be elected.

The Managing Board shall elect, at its first meeting, a Chairman, a Deputy Chairman and, if necessary, also a Secretary/Treasurer among its members.

The Managing Board shall meet:

- a) whenever the Chairman deems it necessary;
- b) when a request to this effect is made by at least one third of its members;
- c) whenever it is necessary to decide on the remuneration of and the reimbursement of expenditures to the association members, as per art. 5;
- d) at least once a year to resolve on the year-end accounts and the amount of the membership fee, as well as on any further matter that is not qualified as urgent and relate to the ordinary administration, including, without limitation, the preliminary determination of the remuneration of and the reimbursement of expenditures to the association members.

In the second hypothesis (b) the meeting shall be held within twenty days from receipt of the request.

In order for resolutions to be valid, the actual presence of the majority of the Board members and the favourable vote of the majority of those present shall be required; in case of equality, the vote of the chairman of the meeting will prevail.

The actions of the Board meetings will be recorded in the appropriate book and the relevant minutes will be signed by the Chairman and by the Secretary.

Experts may be invited to attend Board meetings to provide advisory opinions.

The Board is vested with the broadest powers for the ordinary and extraordinary management of the association, without limitations, including the determination of

membership fees as well as the modalities for obtaining the funds required to cover the ordinary and extraordinary operating costs.

The Managing Board may lay down regulations to govern and organize the association's activity, which will be submitted for the approval of the members' meeting.

The Managing Board is empowered to move the registered office of the association inside the municipal borders.

**Art. 10 - Meetings of the association members**

The association members' meeting is composed of all the members of the association and is ordinary or special.

The ordinary meeting resolves on the following items:

- The approval of the year-end accounts and of the budget, if any;
- The orientation and the general guidelines of the association;
- The election of the members of the Managing Board, in compliance with art. 9), and of the Board of statutory auditors, if any;
- The approval of any regulations that govern the conduct of the association's activity;
- Any other matter remitted to it by law or under these articles;
- Any amendments to the memorandum of association;

The special members' meetings resolve on the following items:

- The dissolution of the association, the appointment of liquidators and any other matter arising therefrom.

The Members' meeting, whether ordinary and/or special, is convened by the Chairman or the Deputy Chairman at the request of the majority of the Managing Board or at the justified request signed by at least one tenth of the association's members.

The notice of call is made public at the registered office and shall contain the agenda. The meeting shall be called by written notice containing the indication of the place, the day, the hour of the first-call and adjourned meeting, as well as the agenda.

The notice of call is sent by electronic mail, fax or registered letter, or by any other communication means suitable to ensure proof of the actual receipt, at least fifteen days before the date set for the meeting; in case of urgency, such period can be reduced to five days.

At first call, the meeting will be validly held with the presence of one half plus one of the association members and resolutions will be adopted with the majority of the votes cast.

In case of adjourned meeting, the meeting will be validly held whatever is the number of the members (or of the votes) and will resolve always with simple majority, subject to the provisions of article 14 below (dissolution).

Subject to any agreement to the contrary, the meeting is presided over by the Chairman of the Board, or, in his absence, by the Deputy Chairman, or, in the absence of both, the meeting shall elect a chairman directly.

The chairman of the meeting shall designate a secretary and, if he deems it appropriate, two scrutineers.

The chairman of the meeting shall establish the regularity of proxies and, in general, the right to attend the meeting.

The actions of the members' meetings will be recorded in minutes that will be signed by the Chairman and by the Secretary and by the scrutineers, if appointed.

The resolutions adopted at the members' meetings shall be divulged by posting up the relevant minutes at the association's offices.

Every member can represent at the meeting no more than two other members by written proxy.

Each member is entitled to cast one vote.

**Art. 11 - Board of Statutory Auditors**

Concurrently with the election of the Managing Board the Members' Meeting can elect the Board of auditors, composed of three statutory members and two alternate members (who will take over if a statutory member ceases to be in office), who need not be members of the association.

The office of Auditor is inconsistent with the office of Board member.

Insofar as concerns their term of office, re-election and remuneration, the rules laid down in these Articles for the members of the Managing Board shall apply.

The Statutory Auditors have the task of supervising the administrative management of the association and verifying compliance with the law, these Articles and any regulations; they are entitled to attend the members' meetings and the Managing Board's meetings with the right to express their opinion but not to vote, verify the regularity and correspondence between the year-end accounts and the accounting records, and give their opinion thereon.

**Art. 12 - Gratuitousness of offices**

No remuneration is due to the members of the Managing Board for the performance of their work for the association, subject to their right to be refunded of the expenditures actually incurred and documented.

**Art 13 - Year-end accounts**

The Company's financial year will close on 31 December of each year.

Every year the Managing Board draws up the budget for the current year and the year-end accounts for the year just expired to be submitted for the approval of the members' meeting to be convened within 120 days.

The year-end accounts shall clearly specify the assets, contributions and legacies received and the expenditures divided by subjects and analytical items. The association is forbidden from distributing, also indirectly, profits or budget surpluses howsoever named as well as funds, reserves or capital during the life of the association, unless destination or distribution is required by law.

Any budget surplus will be reinvested to enhance the institutional activities envisaged in these Articles.

If the association has carried out fundraising activities, an appropriate, detailed and separate report shall be prepared within four months after the close of the financial year, with a breakdown of all receipts and expenditures for each celebration, anniversary or sensitization campaign carried out.

The reports must be included in the minutes of the Managing Board's meeting.

For the purpose of maintaining the qualification of an "Onlus" [nonprofit organisation], the association shall comply with the applicable provisions of law regarding the keeping of accounts, also with a view to obtaining tax concessions and/or benefits.

**Art. 14 - Amendments to the Articles of association - Winding up of the association**

Any amendment to these Articles may be proposed by any one of the association bodies or by at least one tenth of the members who so request by registered mail addressed to the Chairman, who shall convene a Managing Board's meeting.

All such proposals shall be examined by the Managing Board, which shall then convene a Members' meeting. At first call meeting, the association members shall resolve with the presence of at least one-half plus one of those entitled to attend and the favourable vote of the majority of the voting members, whereas at an adjourned meeting members may vote with the majority of those present, irrespective of their number.

The association is dissolved when its purpose has been achieved or it has become impossible to achieve it.

The achievement of the association purpose or its impossibility of being achieved should be ascertained by a resolution of the Managing Board.

The members' meeting resolves with the favourable vote of 3/4 of the association members (or votes) present on the liquidation of the association and the appointment of two liquidators that will replace the Managing Board.

The liquidators will be vested with the broadest powers for the ordinary and extraordinary administration, to proceed with the dissolution of the association.

The liquidators shall report to the members' meeting.

In no event will the remaining assets of the association be donated to third parties, directly or indirectly.

In case of winding up, cessation or dissolution, the assets, if any, that will remain after the liquidation will be given to another association having analogous purposes or used for public usefulness purposes, after hearing the control body described in article 3, paragraph 190 of Law no. 662 of 23 December 1996, subject to any other application required by law.

The identification of such association is remitted to the Managing Board which shall notify its name (or confirm that already indicated) every three years, at the time of its election.

**Art. 15 - Arbitration Clause**

The parties will submit any controversies arising from these Articles to an attempt of settlement, as provided for by the conciliation service of the Chamber of Arbitration of Como.

If the attempt failed, the controversy will be resolved by arbitration in compliance with the arbitration regulation of the Chamber of Arbitration of Como.

The Panel of arbitrators will be composed of three members appointed by the Chamber of Arbitration of Como.

Arbitration will be conducted in compliance with the rules of procedure and the arbitrators will decide in equity and fairness.

The arbitration venue will be decided by the arbitrator designated by the Chamber of Arbitration of Como and, in any event, it shall be within the district of the Province of Como.

**Art. 16 - Applicable law**

For any matter not expressly regulated hereunder, reference is made to the applicable provisions of law.

Signed: Pizzamiglio Maria Luisa

Signed: Benaglia Leonardo

Signed: Sebastiano Roberto Dugo

Signed: Casare Spreafico, Notary Public (L.T.)