

**C O N S T I T U T I O N**  
**of the Foundation for Holocaust Victims**  
**as Amended by Schedules 1 - 8**

**Article I**

**Name and Registered Office of the Foundation**

1. Foundation's name: Nadacni fond obetem holocaustu (Foundation for Holocaust Victims)
2. The registered office of the Foundation is at Maiselova 18, 110 00 Praha 1

**Article II**

**Constituent Organization of the Foundation**

The Foundation was established by Federace zidovskych obci v Ceske republice (Federation of Jewish Communities in the Czech Republic), having its seat at Maiselova 18, 110 00 Praha 1, registered number: 00438341.

**Article III**

**Mission of the Foundation**

1. The purpose of the Foundation for Holocaust Victims (hereinafter referred to as the "Foundation") is to provide endowment benefits to mitigate some property injustices suffered by Holocaust victims.
2. To meet the purpose stated in Article III (1) hereof, funding from the Foundation shall be used as endowment contributions exclusively for:
  - a) Individuals to mitigate some property injustices suffered by Holocaust victims;
  - b) Social and health care with special reference to the needs of Holocaust survivors;
  - c) Reconstruction, renovation and preservation of movable as well as immovable Jewish monuments located in the territory of the Czech Republic;
  - d) Projects serving as a dignified reminder of Holocaust victims;
  - e) Support of educational activities related to Judaism; and
  - f) Support of the development of Jewish communities in the Czech Republic.

**Article IV**

**Investment Contribution**

The investment contribution to the Foundation is CZK 1,000. The sum was deposited with the contribution administrator before the Foundation's establishment is entered into the Register of Foundations.

**Article V**

**Article Va)**

**Honorary Chairman**

Based on the proposal of the Federation of Jewish Communities of the Czech Republic Prof. Ing. Felix Kolmer, DrSc. has been appointed Honorary Chairman of the Board of Directors of the Foundation for Holocaust Victims. Apart from the title of the use of the Honorary Chairman title, the title itself does not entitle its holder to any special rights. Prof. Ing. Felix Kolmer, DrSc., as a member of the FHV BoD holds all rights and duties as the other members of FHV BoD as stated in the FHV Foundation Declaration, FHV Statute and other FHV regulations.

## **Board of Directors**

1. The Board of Directors shall consist of nine (9) members.
2. The Initial Directors shall be appointed by the constituent organization, four (4) of whom upon a recommendation of the Vice-premier of the government of the Czech Republic.
3. The new Directors shall be appointed in the following manner:
  - a) New Directors to replace Directors initially appointed upon the recommendation of the Vice-Premier of the government of the Czech Republic, one (1) upon a recommendation of the Vice-Premier of the government of the Czech Republic, one (1) upon a recommendation of the Minister of Foreign Affairs of the Czech Republic, one (1) upon a recommendation of the Minister of Culture of the Czech Republic and one (1) upon a recommendation of the Minister of Finances of the Czech Republic;
  - b) New Directors to replace the remaining five Directors shall be always appointed upon a recommendation of the Federation of Jewish Communities in the Czech Republic.
4. The term for Directors shall be three (3) years, the duration thereof being set equally for all Directors.
5. The Board of Directors shall appoint the Chairman of the Board from amongst its members. The Board of Directors shall meet at least twice a year. The Chairman of the Board shall be obliged to convene Directors to meet within three weeks from a request made by at least one third (1/3) of the Directors or any Supervisory Board member.
6. No Director shall be allowed to send a substitute to attend a meeting of the Board of Directors. He or she shall be obliged to attend all meetings in person.
7. The Board of Directors shall be entitled to dismiss a Director for reasons stipulated by law and/or for the following reasons:
  - a) He or she has twice failed to attend a Board meeting without an excuse; and/or
  - b) He or she has severely violated this Constitution of the Foundation, his/her further involvement on the Board potentially threatening good reputation of the Foundation.
8. The quorum of the Board of Directors consist of at least five (5) Directors, of whom at least two (2) have been appointed upon recommendations in accordance with Article V (2) above and at least two (2) have been appointed by the constituent organization.
9. The Board of Directors shall approve of the principles for providing endowment contributions in order to meet the mission as defined in Article III (2a) above and optionally also the rules for providing endowment contributions to meet the mission defined in Article III (2b-e) above.
10.
  - a) A decision regarding an amendment to this Constitution, an alteration of principles for providing endowment contributions or an alteration of rules for providing endowment contributions shall require the approval of at least eight (8) Directors, of whom at least four (4) have been appointed upon recommendations made in accordance with Article V (2) above.
  - b) Any other decisions of the Board of Directors shall require the approval of an absolute majority of those present, of whom at least two (2) Directors have been appointed upon recommendations made in accordance with Article V (2) above and at least two (2) have been appointed by the constituent organization.
  - c) All the Directors shall be granted an equal voting right. Upon an equal vote, the decision shall be carried by the vote of the Chairman.

11. The Board of Directors may reach decisions in the ‘per rollam’ manner in cases when it is not possible to reach a decision at the respective meeting of the Board. When deciding ‘per rollam’, the Chairman of the Board of Directors, or the Foundation’s Executive Director with the Chairman’s authorization, delivers to the respective Directors by postal mail, fax or e-mail the documents regarding which the Board of Directors is to decide. The documents are to include the precise wording of the decision in question as well as a time period for the exercise of the vote that shall be at least three (3) days in duration.

The respective Directors shall deliver their decisions back to the Foundation within the specified time period. Should a Director not respond within this time frame, the absence of a response shall be considered as abstention.

A ‘per rollam’ decision is approved when the majority of Directors, as stipulated in Article V (10) hereof, vote in favour of this decision. The day of approval of the respective decision shall be the day on which the affirmative vote of the last Director remaining to reach a majority of votes is obtained.

At the first subsequent meeting of the Board of Directors, the Chairman of the Board, or a Director with the Chairman’s authorization, is obliged to inform the Board of Directors of all decisions made in the per rollam manner in the interim period between the respective Board meetings.

12. All the Directors shall act on behalf of the Foundation individually. Signing on behalf of the Foundation shall require signatures of the Chairman of the Board and of another Director to be attached to the name of the Foundation.
13. Upon a recommendation of its Chairman, the Board of Directors appoints Vice Chairman of the Board. The Vice Chairman represents the Chairman within the full extent of his rights and duties, with the exception of activities determined by the Chairman.
14. Principles for providing endowment contributions from the Foundation to individuals for the purpose of mitigating some property injustices suffered by Holocaust victims (hereinafter “the Principles”) shall be attached as an appendix to this Constitution.
15. The Board of Directors shall issue rules of meeting and negotiation to govern its own operation.
16. Membership on the Board of Directors is voluntary. The Board of Directors may decide to allocate a fee for the performance of duties related to the position of a Director, should the extent of activities and/or responsibilities exceed the amount usually ensuing from such a position.
17. The Board of Directors appoints and recalls Executive Director and sets his or her bonus.

## **Article VI Supervisory Board**

1. The Supervisory Board shall be established in accordance with the Foundation Charter. The Supervisory Board shall consist of three (3) members.
2. The term of the members of the Supervisory Board shall be three (3) years.
3. One (1) member of the Supervisory Board shall always be appointed upon a recommendation made by the National Property Fund of the Czech Republic.

4. The Supervisory Board shall appoint its Chairman from amongst its members, who shall organize and govern activities of the Supervisory Board.
5. The Supervisory Board shall propose to the Board of Directors an auditor to verify the annual financial statements of the Foundation.
6. The Supervisory Board shall issue rules of meeting and negotiation to govern its own operation.
7. Membership on the Supervisory Board is voluntary. The Board of Directors may decide to allocate a fee for the performance of duties related to the position of a member of the Supervisory Board, should the extent of activities and/or responsibilities exceed the amount usually ensuing from such a position.

#### **Article VII Executive Director**

1. The Board of Directors appoints and recalls Executive Director and sets the amount of his or her remuneration.
2. Only an individual with no criminal record can be appointed the Executive Director.
3. The Executive Director assumes liability from his or her position to the Board of Directors.
4. The Executive Director manages the day-to-day operation of the Foundation, and for this purpose in particular:
  - a) Executes decisions of the Board of Directors related to ensuring the operation of the Foundation;
  - b) Acts on behalf of the Foundation within the extent set forth by any Power of Attorney granted thereto by the Board of Directors;
  - c) Upon the request of the Board of Directors, elaborates the Organizational Guidelines and other internal documents,
  - d) Is accountable for management of financial funds of the Foundation within the extent set forth by any Power of Attorney granted thereto,
  - e) Submits the Foundation's plan of activities, budget, financial report and annual report to the Board of Directors for approval,
  - f) In relation to employees of the Foundation, he/she performs the function of the employer in accordance with industrial regulations.
5. The Executive Director can neither be a member of the Board of Directors, nor of the Supervisory Board, however, he/she is entitled to participate in the meeting of the Board of Directors and Supervisory Board with an advisory vote. If the Executive Director asks for the right to speak at the meeting of the Board of Directors and Supervisory Board, the word must be granted to him or her.

#### **Article VIII Administrative Cost of the Foundation**

The total costs associated with operation of FHV cannot overcome 30% of the value of yearly provided foundation benefits of the FHV.

#### **Article IX Fundamental Conditions for Providing Endowment Contributions**

1. Endowment contributions shall be granted by a decision of the Board of Directors upon a written application. In its decision-making concerned with providing endowment contributions, the Board of Directors shall comply with legal regulations and documents listed in Article V (9) above.

2. The Board of Directors shall make decisions upon requests or recommendations of a Director.

**Article X**  
**Accounting and Annual Report**

1. The Foundation shall keep its accounting books in accordance with special regulations. The annual financial statements must be authorized by an auditor.
2. The Foundation shall deposit all its monetary assets in a bank account - or at a branch of a foreign bank - with its seat in the Czech Republic.
3. The Foundation shall issue its annual report by June 30 of each respective year.
4. The annual report shall be deposited with the Registry Court. Additionally, it shall be made available at the Foundation's seat during working hours.

**Article XI**  
**Funding from the National Property Fund of the Czech Republic**  
**Allocated to the Foundation**

1. Resolution of the government of the Czech Republic no. 1002/1999 allocated three hundred million Czech Crowns (CZK 300,000,000) to mitigate some property injustices suffered by Holocaust victims, transferring the said sum from the National Property Fund's funding of the Foundation Investment Fund to the Foundation.
2. This contribution shall be subject to special regulations set forth in this Constitution and in the agreement executed between the Foundation and the National Property Fund of the Czech Republic.

**Article XII**  
**Miscellaneous**

1. This Constitution, as amended by Schedules 1-8, was approved by the Board of Directors of the Foundation on February 5, 2009.
2. This Constitution may only be modified and amended by written and consequent amendments.
3. This Constitution shall be executed in three (3) copies, of which two (2) shall be used in the proceedings before the registry court and one (1) shall be filed by the Foundation.

Dated at Prague, this .... day of ....

For and on behalf of the Foundation for Holocaust Victims:

[Signed]

Ing. Michal Borges  
Vice-Chairman of the Board of Directors

[Signed]

Ing. Zdeněk Novák  
Member of the Board of Directors