



COMPANY BY-LAWS

On the 24th March 2005 SFC School for children was founded by Stefano Pilati , John Ray , Filippo Binaghi , Luigi Paleari , Gianfranco Ruffini in Como

NAME

1) – The Voluntary Service Organization's corporate name is: "SFC - School for children ONLUS"

REGISTERED OFFICE

2) – The Voluntary Service Organization has its registered office in Milan .

DURATION

3) – The Voluntary Service Organization's duration is sine die.

PURPOSE

4) – The Voluntary Service Organization is inspired by Christian principles, exclusively pursues objectives of social solidarity, is non-profit making, apolitical and does not support any political party and has as its purpose the performance of activities within the sectors of education and training, allowing, in particular, poor children from any nationality and religion whatsoever, both in Italy and abroad, to be educated in proportion to their abilities by attending public and private schools. For that purpose, the Organization

A) undertakes to ensure the minimum essential conditions required for the children's standard school attendance;

B) takes action in case of sanitary emergencies, by curing the children;

C) provides especially needy families with the minimum essential support by enrolling their children in boarding schools;

D) also undertakes, directly or in co-operation with other organizations or local authorities, to set up special projects and schooling facilities.

The Voluntary Service Organization expressly abstains from performing activities other than those listed above except for those connected thereto and in any way accessory.

All of the above will be performed through on-going personal, voluntary and unpaid services supplied by its members, mainly on the regional territory.

5) – The Voluntary Service Organization may carry on its activities in co-operation with any other public or private institutions under the provisions set out in its by-laws or in partnership with other institutions.

MEMBERS

ADMITTANCE AND EXCLUSION CRITERIA

6) – The Voluntary Service Organization’s members are those people who have signed the memorandum of association and who will be accepted by the Board of Directors since they share in the objectives of the Voluntary Service Organization and are considered eligible for their accomplishment.

All members shall pay a yearly membership fee which will be fixed, along with the minimum fee to be paid at the time of joining, by the Board of Directors by means of a resolution to be passed by December of every year and valid for the following year.

The corporate year starts on 1st January.

Payment of membership fees shall be made over the year.

7) – Admittance to the Voluntary Service Organization may not be accepted for a temporary period. However, each member is entitled to withdraw from the organization by written notice sent to the Voluntary Service Organization.

The fees cannot be transferred.

8) – Exclusion of any member for grave reasons, under art. 24 of the Italian Civil Code, is resolved by the Board of Directors.

The Board of Directors may also pass resolutions on the exclusion of any member who does not arrange for the payment of the yearly fee fixed by the Board of Directors under art. 6.

9) – Receding or excluded members and any members who have in any case ceased to be a part of the Voluntary Service Organization, may not be returned the payments already made and may not claim any right on the assets of the Voluntary Service Organization.

MEMBERS’ RIGHTS AND OBLIGATIONS

10) – Members have equal rights and obligations vis-à-vis the Voluntary Service Organization, in particular they are entitled to take part in the voting and resolutions passed by the general meeting and to submit proposals and inquiries in writing to the Board of Directors.

11) – Each member has the obligation to abide by the company by-laws and to adapt to the resolutions which will be passed by the meeting and by the Board of Directors which regard him/her.

Each member shall take the Voluntary Service Organization’s prestige to heart and make any efforts for its good performance and to accomplish the objectives thereof.

Each member shall pay the yearly fee, which he/she will pay on the terms and with the methods established by the Board of Directors.

ASSETS

12) – The Voluntary Service Organization’s assets are made up of:

- member subsidies;
- private citizen subsidies;
- State, agency or public institution subsidies aimed at supporting special and documented activities or projects;
- international organization subsidies;
- donations and bequests;
- refunds from covenants;
- earnings from marginal business and productive activities.
- profits from events, concerts, conferences and the likes;

- income from movable and immovable property howsoever granted to the organization.

ORGANIZATIONAL BODIES

13) – The Organization’s bodies are listed herein below:

- the Members’ Meeting;
- the Board of Directors;
- the President and Vice President;
- the Secretary Treasurer;
- the Board of Auditors.

All offices are elective and held without remuneration.

MEETING

14) – The Meeting is made up of all members under art. 6, it is either ordinary or extraordinary and is characterized by a democratic structure.

The ordinary Meeting is summoned at least once a year by the Board of Directors within four months from year end.

The Meeting is also called any time the Board of Directors deems it fit, or when the Board of Directors receives sound request in writing signed by at least one tenth of the members.

Every year the following documents shall be submitted to the Meeting for approval:

- the report by the Board of Directors on the business course of the Voluntary Service Organization:

- the annual balance sheet;

The meeting also passes resolutions on:

- the appointment of the Board of Directors;
- the appointment of the Board of Auditors;
- other issues to be discussed on the agenda.

The Meeting may also be called as an extraordinary meeting to deliberate on the amendments to the by-laws and on the dissolution of the Voluntary Service Organization.

The meetings may also be held elsewhere than the Voluntary Service Organization’s registered office.

15) – The Meeting’s notices are sent by letter, including electronic mail, to the address written on the statutory books, to each member at least fifteen days before the date established for the meeting.

16) – Each member is entitled to vote on all the Meeting’s resolutions, including those related to the approval and amendments to the by-laws and rules, as well as to the appointment of the Voluntary Service Organization’s governing bodies.

Each member may be represented by another member, as long as the latter is not part of the Board of Directors or the Board of Auditors, by granting a written proxy thereto.

No member may represent more than ten members.

Upon first call, the Meeting’s resolutions are passed with the majority of the members being present and voting in favour. Upon the calling of the second meeting, which shall be held on a day other than the first call, the resolutions are valid notwithstanding the number of participants.

The resolutions for any amendments to the memorandum of association, both upon first and second call, shall be approved with at least three quarters of the members being present and the majority of participants voting in favour.

The resolution on the dissolution of the Voluntary Service Organization shall be approved, both upon first and second call, with at least three quarters of the members voting in favour.

BOARD OF DIRECTORS

17) – The Voluntary Service Organization is managed by a Board of Directors made up of three to nine members.

The Board of Directors remains in office for three years and its members can be re-elected.

18) - The Board of Directors is summoned by the President when the latter deems it fit or upon request of two directors. In order for its resolutions to be valid the presence of the majority of Directors is required. The Board of Directors' meetings may also be held elsewhere than the Voluntary Service Organization's registered office.

It is chaired by the President or, in his absence, by the Vice President or by the eldest Director. Any director who, without any sound reason, does not attend two consecutive meetings of the Board of Directors falls from office and the Board of Directors may arrange, at the first subsequent meeting, for his/her replacement.

The director thus appointed will remain in office until the following meeting.

19) – The Board of Directors is entrusted with all powers of ordinary and extraordinary administration, with the right to delegate the powers themselves to the President or to one of its members. The powers of extraordinary administration may be delegated only jointly to members of the Board of Directors.

In particular, the Board of Directors prepares the guidelines and the general directives of the Voluntary Service Organization, fixes the amount of the yearly membership fee, deliberates on members admittance and exclusion, prepares the annual balance sheet and the annual report. The Board of Directors shall keep a cash book, a meetings' minutes book, a Board of Directors' minutes book and a register of members, all of whom authenticated, and shall assign the relevant task to one of its members.

Said books shall be available at any time to the members who are also entitled to request excerpts thereof, at their own expense.

PRESIDENT and VICE PRESIDENT

20) - The Board of Directors, at its first meeting, arranges for the appointment of the President, as well as the Vice President and the Secretary Treasurer, if the Meeting of members has failed to do so.

The President shall represent the Voluntary Service Organization before a court and before third parties, and is entitled, in particular, to open, close and make transactions on bank and postal current accounts.

In case of absence or impediment of the President, the Vice President shall act in his stead.

21) – The President keeps the sums and securities of the Voluntary Service Organization and carries out any cash transaction, subsequently updating the accounting.

SECRETARY TREASURER

22) – The Secretary Treasurer helps the President to carry out resolutions, attends the meetings of the Organization's Bodies and deals with any administrative, technical and organizational aspects.

CORPORATE YEARS AND BALANCE SHEET

23) – The corporate year ends on 31st December every year.

The Board of Directors shall promptly prepare the balance sheet to be submitted to the meeting

for approval within four months from year end.

The draft balance sheet, within fifteen days prior to the adopting Meeting, and the final balance sheet, after its adoption, shall be kept at the Voluntary Service Organization's registered office at disposal of the members who would like to read it or a copy thereof.

The Organization is forbidden from distributing, even indirectly, profits and operating surpluses as well as provisions, reserves or capital during the Organization's life unless their use or distribution are required by the legislation or are made in favour of other non-profit organizations which by law, by-laws or regulations are part of the same unit structure.

Profits and operating surpluses shall be strictly used for the accomplishment of the institutional activities or of those directly connected thereto.

BOARD OF AUDITORS

24) – The Board of Auditors is made up of three statutory members and two substitutes, also non-members, elected by the Meeting, which also appoints the President.

The Board of Auditors carries out the auditing of the Voluntary Service Organization and reports accordingly to the Meeting.

The Board of Auditors remains in office for three years and the Auditors can be re-elected.

The office of auditor cannot be held at the same time as the office of director.

DISSOLUTION AND LIQUIDATION

25) – The dissolution of the Voluntary Service Organization occurs due to Meeting resolution or to Meeting inactivity for over two years.

The Meeting passing resolutions on the dissolution of the Voluntary Service Organization and the appointment of the liquidators will establish the general criteria for the assignment of any remaining assets. Liquidators, considering the instructions provided by the Meeting and after having discussed with the supervisory body under art. 3, subsection 190, of law no. 662 dated 23rd December 1996, will choose the non-profit making voluntary service organization working in the same field to which they will assign any remaining assets.

GOVERNING RULES

26) – For all that is not provided for herein, the rules of Book 1, Title II of the Italian Civil Code apply, as well as those provided for by Legislative Decree no. 460 dated 4th December 1997, by law no. 266 dated 11th August 1991, and by regional law no. 22 dated 24th July 1993.