

## **BYLAWS**

### **TITLE ONE – GENERAL PROVISIONS**

**NAME – DOMICILE – TERM. SECTION ONE:** In the City of Buenos Aires, where its legal domicile is established, on October 13, 1997, a foundation which may have representations or delegations anywhere in the Argentine Republic is hereby organized under the name of “**FUNDACIÓN CIMIENTOS**” for a term of **NINETY NINE YEARS**.

**PURPOSE. SECTION TWO:** The Foundation shall have as purposes: a) to contribute to the improvement of the opportunities of access to education of children and youngsters from low-income families; b) to promote the stability of low-income children and youngsters in the educational system, in state or private educational institutions recognized by the Ministry of Education or similar ministries of the respective jurisdictions where formal education is provided pursuant to official plans; c) to economically contribute to the creation of, to promote the improvement of the academic level and to support the educational institutions recognized by the Ministry of Education or similar ministries of the respective jurisdictions that offer education, pursuant to the official plans, to low-income children and youngsters; d) to contribute to the development of pieces of research and studies related to the stability, insertion and development of low-income children and youngsters in the educational system; e) to contribute to the training and development of teachers working at educational institutions recognized by the Ministries of Education or similar ministries of the respective jurisdictions attended by a low-income school population. It shall accomplish this purpose by means of: 1) the sponsorship, subsidy, teaching or maintenance of free courses offered in state or private educational institutions recognized by the Ministries of Education or similar ministries of the respective jurisdictions. 2) The award of school support grants and the provision of family assistance to low-income children and youngsters so that they can have access to the educational institutions described in the purpose. 3) The making of gifts in cash and in kind to the educational institutions described in the purpose. 4) Development of pieces of research and studies related to or derived from the achievement of the founder's aims and their spread. 5) Sponsorship and organization of congresses, symposia, one-day meetings, conferences, seminars and courses for the same purposes. 6) Implementation of aid programs for the improvement of the quality of the education offered to the low-income school population. All the above, with no profit.

**CAPACITY. SECTION THREE:** It shall have full legal capacity to acquire property of any kind whatsoever, either real or personal property, for any reason or under any title authorized by law and to incur obligations, as well as to perform all kind of acts or enter into contracts with official authorities, ministries and/or their agencies, individuals and

international organizations that are directly or indirectly related to its purpose or tend to guarantee its development and operation. It may also operate with the *Bancos de la Nación Argentina*, *Hipotecario Nacional* and other official and private financial institutions.

**ASSETS. SECTION FOUR:** The initial capital of the Foundation shall be composed of the sum of **TWELVE THOUSAND PESOS (ARS12,000)**, contributed by its founder, **Carlos Daniel TRAMUTOLA**. Said capital may be increased by decision of the Management Board, with all or part of what the Foundation shall receive in the future as subsidies, inheritances, legacies or gifts or any other lawful source of income, according to the non-profit character of the entity.

**RESOURCES. SECTION FIVE:** The ordinary resources of the Foundation shall be: a) the amount of the subsidies, inheritances, legacies or gifts that are free of any encumbrance. b) The revenue or interest from its assets. c) The contributions made by the associate benefactors and the proceeds of the periodic or occasional donations from all the people who wish to cooperate in the promotion of the Foundation. d) The proceeds of collections, conferences, courses, workshops, forums, round tables, seminars, publications and dissemination material. e) Any other amount that, for any reason, shall be received by the Foundation according to the non-profit character of the entity.

**BUSINESS YEAR. SECTION SIX:** The business year shall close on December 31 of each year.

## **TITLE TWO – ORGANIZATION**

**BODIES. SECTION SEVEN:** The Foundation shall be directed and managed by the Management Board and may be advised by advisory boards.

**MANAGEMENT BOARD. COMPOSITION. SECTION EIGHT:** The Management Board shall be composed of a minimum of six and a maximum of eighteen members, among whom a Chairman, a Vice-Chairman, a Secretary and a Treasurer shall be elected. The rest of the members of the Management Board shall act as Officers. In case of absence, incapacity or vacancy of the Chairman, the Vice-Chairman shall take his place. In case of absence, incapacity or vacancy of the Vice-Chairman, the Secretary and/or the Treasurer, one of the members of the Management Board may replace him temporarily according to the decision of said Board until the impediment has ceased, or until the Management Board has appointed a replacement.

**RENEWAL AND TERM OF OFFICE. SECTION NINE:** The members of the Management Board shall hold office for a term of three years. The members of the Management Board and its authorities shall be elected according to the self-nomination procedure, which means that before the end of the tenures, the outgoing members and those remaining in office shall elect the members who will fill the positions of those leaving. One third of the members of the Management Board shall be renewed annually. The members of the Management Board may be reelected up to two consecutive times and shall then retire from the Management Board at least for a period of three years. As an exception, if a member of the Management Board is appointed Chairman or Vice-Chairman, he may be reelected up to a maximum term of nine years as Chairman or Vice-Chairman, either in a consecutive or interrupted manner. In case the Vice-Chairman is elected Chairman of the Management Board for the following year, he may fill such position for a period of nine years as from the date of appointment and without prejudice to the period he may have acted as Vice-Chairman; this rule shall not apply to the opposite case.

**SECTION TEN:** The Board shall have a double quorum and majorities mechanism for the decision-making process: (a) the presence of two thirds of its members and a majority of three quarters of the votes of those present shall be required to make decisions on the: (i) sale, exchange, transaction, assignment of or imposition of liens on real property; (ii) amendment of the bylaws, being stated that the modification of the purpose shall only proceed in the case contemplated in Section Twenty-Three; (iii) merge with similar entities; (iv) dissolution of the foundation; (v) admission and/or removal of members and authorities of the Management Board; and (b) the presence of half plus one of its members and an absolute majority of the votes of those present shall be required for the remaining decisions that the Management Board shall adopt. Its deliberations shall be entered in the minutes book. The Chairman shall have double vote only in case of tie in the Management Board.

**ORDINARY AND EXTRAORDINARY MEETINGS. SECTION ELEVEN:** The Management Board shall hold ordinary meetings at least once every three months and extraordinary meetings when it is so decided by the Chairman or upon request of at least two thirds of its members, and the meeting shall, in such case, take place within ten days of the request. The calling shall be carried out by means of notices sent five days in advance, to the addresses registered in the Foundation by the Board members. Within one hundred and twenty days of the closing of the annual business year, the Management Board shall meet in order to consider the Annual Report, Inventory, General Balance Sheet and Profit and Loss Statement. Together with the notices, a copy of the documentation to be considered as well as the respective agenda shall be sent.

**AD-HONOREM CHARACTER OF THE POSITION. SECTION TWELVE:** The members of the Board shall not receive any payment whatsoever for the performance of their roles.

**POWERS AND DUTIES. SECTION THIRTEEN:** The powers and duties of the Management Board are: a) To represent the Foundation, through the Chairman or his replacement, in any in-court, out-of-court, administrative, public or private act in connection with its purpose. b) To comply with and provide for the compliance with the bylaws, and to issue the internal rules that are necessary for the fulfillment of the purposes of the Foundation. c) To buy, sell, exchange, trade, assign, encumber or transfer real property, personal property, securities, government securities or any other kind of rights, which may be necessary or convenient to accomplish the purposes of the Foundation. d) To appoint, suspend and dismiss the managers of the Foundation. e) To grant and revoke general and special powers of attorney. f) To accept inheritances, legacies and gifts and to allocate them to their intended purpose. g) To open checking accounts, to request loans from state or privately owned banking institutions, to make investments and to pay expenses. h) To annually approve the Annual Report, Inventory, General Balance Sheet and Profit and Loss Statement. i) To perform any lawful act which may be necessary in connection with the purpose of the Foundation, including those acts enumerated in section 1881 of the Civil Code. k) To approve the annual budget and the activity program. l) To approve the authorization levels for signing checks and executing other documents and for granting the corresponding powers of attorney.

**DELEGATION OF POWERS. SECTION FOURTEEN:** The Management Board may appoint an Executive Committee and special committees which do not need to be formed by members of the Management Board but which shall be chaired by its members. The Management Board may delegate powers to such committees.

**SECTION FIFTEEN:** The Management Board may create advisory boards, in which case it shall appoint their members and establish their internal regulations.

**CHAIRMAN. SECTION SIXTEEN:** The powers of the Chairman and the Vice-Chairman when he acts in replacement for the Chairman are: a) To represent the Foundation. b) To calling of ordinary and extraordinary meetings of the Management Board, to set the agenda and to chair said meetings. c) To sign, together with the Secretary, the minutes of the meetings of the Management Board and the institutional documents. d) To approve the project for the annual budget of the Foundation for its submission to the Management Board. e) To approve the projects for the Annual Report, Inventory, General Balance Sheet and Profit and Loss Statement which shall

be submitted to the Management Board and once approved to the *Inspección General de Justicia* (General Bureau of Corporations).

**SECRETARY. SECTION SEVENTEEN:** The powers of the Secretary are: a) To draft and sign together with the Chairman the minutes of the meetings of the Management Board which shall be registered on the corresponding Book. b) To prepare the Annual Report of the entity. c) To summon the managers for the meeting of the Management Board.

**TREASURER. SECTION EIGHTEEN:** The powers of the Treasurer are: a) To prepare the General Balance Sheet, Inventory and Profit and Loss Statement which shall be submitted to the Management Board for consideration at their annual meeting. b) To keep Accounting Books and to submit to the Management Board the accounting information requested.

**EXECUTIVE COMMITTEE. SECTION NINETEEN:** The Executive Committee shall be composed of members of the Management Board holding the position of Chairman and Vice-Chairman and by two to four members of the Management Board to be annually appointed by said Board as proposed by the Chairman.

**SECTION TWENTY:** The Executive Committee shall have management powers.

**SECTION TWENTY-ONE:** The Executive Committee shall hold an ordinary meeting once a month and an extraordinary meeting upon request of at least two of its members, in which case the meeting shall be held within ten days of said request. The calling shall be made by any means of communication five days in advance and shall be sent to the domiciles established for such purpose.

**SECTION TWENTY-TWO:** A meeting of the Executive Committee shall be valid with the presence of at least half plus one of its members and decisions shall be made with the majority of the votes of the members present. In case of a tie, the Chairman's vote shall be counted twice.

### **TITLE THREE – AMENDMENT OF THE BYLAWS, MERGER AND DISSOLUTION**

**SECTION TWENTY-THREE:** The amendment of the bylaws, merger with similar entities and dissolution shall require a quorum of two-third of the members of the Management Board and a three-fourth majority of the votes of the members present. The purpose may only be modified when the fulfillment of the original purpose established by the founder becomes impossible.

**SECTION TWENTY-FOUR:** In the event of dissolution, the Management Board shall appoint a Liquidation Committee, and once all the debts of the Foundation have been paid off, the remaining assets shall be allocated to a private non-profit organization serving the public interest, with domicile in the country, with legal status, free of any national, provincial and municipal encumbrance and recognized by the *Administración Federal de Ingresos Públicos* (Federal Bureau of Public Revenue).