

Fondazione Internazionale Premio E. Balzan "Premio"

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ARTICLES OF ASSOCIATION

**(English translation of the Italian
original version)**

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ARTICLES OF ASSOCIATION

Article 1

Name and Registered Office

The International E. Balzan Prize Foundation – «Prize», established in execution of the last will and testament of Mrs. Angela Danieli née Balzan and which has been officially recognised by means of Decree No. 52 of February 10, 1962 issued by the President of the Republic, has its registered office in Milan, Italy.

Article 2

Objects

The Foundation's objects are of an international character.

Its object is the promotion, throughout the world, of culture, science and the most meritorious initiatives in the cause of humanity, peace and fraternity among peoples, regardless of nationality, race or creed.

This object shall be attained by the annual award of prizes made available by the International E. Balzan Prize Foundation – «Fund» with registered office in Zurich, Switzerland, or supplied from the sources indicated in Article 4 (b) and (c), as well as by means of any additional initiative that may be deemed useful for the purposes of the attainment of the Foundation's objects.

Article 3

Prizes

The prizes awarded by the Foundation fall within the following three categories:

- a) humanity, peace and fraternity among peoples;
- b) literature, moral sciences, and the arts;
- c) physical, mathematical and natural sciences, and medicine.

The Board of the Foundation shall determine the categories, the number and the amount of the prizes, duly notifying the General Prize Committee of its decisions in good time.

The prizes shall be indivisible.

No fewer than two and no more than a total of four prizes may be awarded in any one year for categories b) and c) of the first paragraph of this Article.

The Board of the Foundation shall determine the frequency of the prize for humanity, peace and fraternity among peoples, which shall normally be at intervals of not less than three years.

Due to the lack of a sufficient availability of funds, the annual prizes for categories b) and c) shall be granted every two years.

Article 4

Assets and Income

The sources of the Foundation's assets shall be:

- a) the International E. Balzan Prize Foundation – «Fund» with registered office in Zurich, in accordance with its statutory requirements relating to the efforts to collect, preserve and manage its assets in order to make available to the International E. Balzan Prize Foundation “Prize” the financial resources needed to achieve its purpose.
- b) any income deriving from the Endowment Fund originally of 100,000,000 Italian Liras eventually supplemented by International E. Balzan Prize Foundation “Fund”;
- c) any donations and bequests it may receive and the income therefrom.

Article 5

Management Bodies of the Foundation

The Foundation shall be managed by:

- a) the Board of the Foundation;
- b) the General Prize Committee;
- c) the Auditors' Committee.

Article 6

The Board of the Foundation

The Board of the Foundation shall consist of a number of members varying between 7 and 9, according to the decisions taken at the time of the appointment, depending on the operational requirements of the Foundation. The primary conditions for the

members are probity, honourableness and active participation, to be maintained for the entire office, under penalty of forfeiture.

One shall be appointed by the Minister of Foreign Affairs and of the International Cooperation, in joint agreement with the Italian Minister of Education, of University and of Research as a representative of the Italian Government and one by the Federal Council as a representative of the Swiss Confederation.

Pending the appointment of both directors representing the Italian Government and the Swiss Confederation, the Council is considered to all extents of the Law and the present By-law, validly convened in the person of the members named by the Board of the Foundation.

In the absence of Directors appointing who represent the Italian Government and the Swiss Confederation, the vacancy will be filled :

- a) by the appointment made by the International E. Balzan Prize Foundation “Prize” for the post which falls under the jurisdiction of the Minister of Foreign Affairs and International Cooperation in coordination with the Minister for Education, of University and Research;
- b) by the appointment made by the International E. Balzan Prize Foundation “Fund” for the post which falls under the jurisdiction of the Federal Council of the Swiss Confederation.

Another member is appointed by the General Prize Committee, in a person other than the Chairman.

The other members are appointed by the Board of the Foundation, with the participation of those referred in the second subparagraph.

The members of the Board of the Foundation shall be elected for four years, i.e. until approval of the financial statements of the fourth year following the entry into force. They may be re-elected for a maximum of two mandates in succession.

The Chairman of the Foundation is elected by the Board of the Foundation by an absolute majority of those entitled to vote among the members of the Board of the Foundation for a four-year term. He may be re-elected for a maximum of three mandates in succession by calculating even those performed as Director. The member appointed by the General Prize Committee terminates his duties at the end of the financial year in which he is no longer part of this Committee. In any other case, the

position of member of the Board of the Foundation is incompatible with that of member of General Prize Committee.

The consecutive terms limit does not apply to the directors appointed by the Italian Government and by the Federal Council of the Swiss Confederation. The members of the Board of Foundation are entitled to the reimbursement of the expenses sustained to carry out their duties as well as a remuneration for the performance of their duties the amount of which is determined by the Board itself by means of a specific resolution after obtaining the assent of the Board of Auditors.

The indemnity to which the Chairman and to the Vice Chairman or the Directors are entitled through specific powers, may have an higher amount in view of the more important duties; also these indemnities shall be approved by the Board after obtaining the assent of the Board of Auditors.

Article 7

Chairmanship and Secretariat of the Board of the Foundation

The Board of the Foundation shall elect from among its members the Chairman and the Vice-Chairman.

The Chairman shall act as the legal representative of the Foundation vis-à-vis third parties and in court.

The Vice-Chairman shall perform the functions of the Chairman if delegated by him, or in his absence, or when the latter is otherwise prevented from performing them.

The Board shall appoint a General Secretary, who shall also act as the Secretary of the General Prize Committee.

The functions of the General Secretary shall be established by the Implementing Regulation of the present Articles of Association (hereinafter Implementing Regulation).

Article 8

Resolutions of the Board of the Foundation

The Chairman shall convene the Board by sending a written notice setting forth the agenda to all right holders at least eight days before the date of the meeting. In urgent cases, the Board may be convened by a notice with at least three days in advance.

Notice shall be sent by post or by online tool ensuring evidence of actual receipt. The Board of Foundation shall act by majority of the half plus one of its members; in case of an equality of votes, the vote of the President shall be decisive.

Resolutions concerning individuals shall be adopted by secret ballot.

The minutes of each meeting of the Board shall be drafted, transcribed in a Minute book and signed by the Chairman and the Secretary.

Article 9

Functions of the Board of the Foundation

In addition to the functions provided for elsewhere in the Articles of Association, the Board of the Foundation shall:

- a) No later than 120 days from the closure of the period, draw up and approve the Balance Sheet of the previous fiscal year and draft the budget for the following year in the time and manner prescribed in the Implementing Regulation. In case of special needs, the final balance sheet may be adopted within 180 days from the closure of the period;
- b) Take a decision about the mutations of the organizational and/or legal structure and take any appropriate measure required for the management of the Foundation and it shall be empowered to perform all acts of ordinary and extraordinary administration and to manage real and personal property;
- c) engage and dismiss employees of the Foundation;
- d) approve the Implementing Regulation and the Regulation governing the General Prize Committee (hereinafter referred to as Prize Regulation)
- e) adopt amendments to these Articles of Association; this resolution which shall require the approval of both of the members mentioned in the second paragraph of Article 6, if any;
- f) issue testimonials to persons for valuable services to the Foundation;
- g) organize the Foundation's activities, especially the ceremony for the awarding of the prizes, and approve any further initiative which, in addition to the awarding of the prizes, is deemed by it to be useful and appropriate for the enhancement thereof and for the purposes of the attainment of the Foundation's institutional object (such as, but not limited to, publications, conferences, seminars, granting of

scholarships or other grants to persons or study groups engaged in the fields for which the prizes are to be awarded);

h) exercise all powers which are not explicitly vested in other bodies provided for in these Articles of Association.

The Board shall consult the Chairman of the said Committee before adopting any resolution regarding any matter concerning the prizes, organization and activities of the General Prize Committee.

Article 10

Representation and Proxies

The Chairman of the Board of the Foundation shall be responsible for implementing the decisions of the Board.

The power to represent the Foundation may also be entrusted to other members of the Board by specific resolution.

The Board may also delegate its functions pursuant to Article 9 (c) to the Chairman, as well as the functions referred to in Article 9 (b), within the scope of matters of ordinary administration.

It may also issue proxies «ad negotia» for single acts or categories of acts.

Article 11

General Prize Committee

The General Prize Committee shall comprise a variable number from 11 to 25 members of international renown, selected from among the most distinguished representatives of the humanities, science and art from different nations. The primary conditions for the members are probity, honourableness and active participation, to be maintained for the entire office, under penalty of forfeiture.

The number of members of the General Prize Committee shall be established by the Board of the Foundation.

The General Prize Committee shall adjudicate the winners of the prizes provided for in Article 3.

The General Prize Committee shall also select the specific subjects for which prizes are to be awarded within the category or categories established by the Board of the Foundation pursuant to paragraph 2 of Article 3.

Article 12

Election and Term of Office of the General Prize Committee

The members of the General Prize Committee shall be appointed by the Board of the Foundation from among the candidates proposed by the Committee itself, as established in the Implementing Regulation.

Except in the case of reappointments of members in office, the Board of the Foundation may require the number of candidates to be double the number of vacancies to be filled.

The members of the General Prize Committee shall remain in office for a period of six years from the date of their appointment and may be reappointed for a further term of six years. After the expiry of the second consecutive term of office members may not be re-elected until a period of six years has elapsed since the end of such second consecutive term of office.

Should the number of the members of the General Prize Committee fall below the minimum number provided for in the first paragraph of Article 11, the Board of the Foundation shall fill such vacancies itself.

Article 13

Resolutions of the General Prize Committee

The General Prize Committee shall be convened by its Chairman.

A quorum of at least half of its members shall be required, and resolutions shall be adopted by an absolute majority vote of the members present. For the award resolution of the prize referred to in Article 3 (a), a two-thirds majority of the members present shall be required.

Resolutions concerning the awarding of prizes as well as all resolutions concerning persons shall be adopted by secret ballot.

If the votes are divided equally, in the sense that it does not reflect a majority, the Chairman shall have the casting vote, if it is expressed in a clear manner.

The Prize Regulation, as specified in Article 9, (d) prescribes the additional methods for the convocation, the deliberations and the operation of General Prize Committee and its bodies.

The Prize Regulation may establish the terms and conditions under which the members of the General Prize Committee may be represented by another member,

notwithstanding that at least one-third of the members must be present and that no member of the General Prize Committee may hold more than one proxy.

The minutes of each meeting of the General Prize Committee shall be drafted, transcribed in a Minute book and signed by the Chairman and the Secretary.

Article 14

Officers of the General Prize Committee

The General Prize Committee shall be chaired by a Chairman appointed by the Board of the Foundation from among the members of the Committee itself, after hearing the opinion of the Committee as established in the Implementing Regulation.

The Board of the Foundation may also appoint one or two Vice-Chairmen. They shall assume the Chairman's functions by order of age.

The Chairman and the Vice-Chairman shall assure the continuity of the work of the General Prize Committee in the intervals between one plenary session of the Committee and the next.

The General Prize Committee may be subdivided into special Committees for specific matters, entrusted with preparatory work in the manner provided for under Prize Regulation. Such special Committees may avail themselves of the advice of experts to the extent and in the manner provided for under the Prize Regulation.

The names of candidates for the prize referred to in Article 3 (a) shall solely be submitted to the General Prize Committee by a Preparatory Commission composed of an even number of members designated by the Committee and by the Board of Foundation, in their respective fields.

The Committee, upon the proposal of its Chairman, may appoint a Vice-Secretary, without prejudice to the functions of the General Secretary.

Article 15

Auditors

The Auditors' Committee shall consist of three members, two of whom shall be appointed by the Statutory Supervisory Authority and one by the Board of the International E. Balzan Prize Foundation – «Fund».

The auditors selected shall be qualified accountants, and shall draft an annual Report on the Balance Sheet and on the financial situation of the Foundation.

The auditors may collectively or individually inspect the accounting records of the Foundation and all relevant documents.

The auditors shall remain in office for four years, i.e. until the final approval of the balance sheet of the fourth financial year following the entry into force.

Article 16

Financial Year, Balance Sheet and Reports

The financial year of the Foundation shall close on December 31 of each year.

The Balance Sheet of the Foundation, together with the Reports of the Board of the Foundation and of the Auditors' Committee, shall be submitted , within 30 days of the adoption thereof to the Authorities referred to in paragraph 2 of Article 6 through the members of the Board of Foundation to the International E. Balzan Prize Foundation – «Fund» and to the Office of the Chairman of the General Prize Committee, designated by them.

Article 17

Body's extinction

In case of the body's extinction, the remaining assets shall be devolved, subject to any mandatory rules, in line with the Board of Foundation resolution.