

FORMATION

of the foundation:

**Stichting Maror-gelden Overheid**,  
established in Amsterdam, the Netherlands

*Archief Philip Staal*

On this first day of December two thousand there appeared before me, Frank Jan Oranje, civil-law notary in The Hague:

1. a. Mr Robert Jean Wurms, residing at Fuik 38 in (1141 CJ) Monnickendam, the Netherlands, born in Amsterdam on the second of February one thousand nine hundred and forty-three, whose identity has been established by means of a Dutch passport with the number N68638443, and
1. b. Mr Ernst Jona Numann, residing at Ruychrocklaan 182 in (2597 ET) The Hague, the Netherlands born in Hengelo (Overijssel) on the sixth of September one thousand nine hundred and fifty, whose identity has been established by means of a Dutch passport with the number N70221014,

each of them acting in this matter as an officer with full legal capacity of the association **Centraal Joods Overleg Externe Belangen**, with its registered office in Amsterdam, the Netherlands, and having its principal place of business at Van der Boechorststraat 26 in (1081 BT) Amsterdam, registered in the Commercial Register of the Chamber of Commerce and Industry for Amsterdam as number 33306792, and as such jointly representing that association;

2. a. Mr Abraham Roet, residing at Michelangelostraat 43b in (1077 BS) Amsterdam, the Netherlands, born in Amsterdam on the twenty-first of June one thousand nine hundred and twenty-eight, whose identity has been established by means of a Dutch passport with the number N98025827, and
2. b. Mr Philip Staal, residing at May'ajan 15 in (37113) Pardes Hanna, Israel, born in Amsterdam on the thirteenth of June one thousand nine hundred and forty-one, whose identity has been established by means of a Dutch passport with the number M04267271,

each of them acting in this matter as an officer of the corporate body incorporated under the law of Israel, **Stichting Platform Israël (A.R.)**, established in Ramat Gan (Israel) and with its provisional place of business at 7 Jeelim Street, Ramat Gan 52596, registered in the Registrar of Amutot in Jerusalem as number 58-035-457-9, and as such jointly representing that corporate body.

The persons appearing, acting as stated, declared as follows:

Whereas

- By a letter of the Prime Minister, the Minister of General Affairs, the Minister of Health, Welfare and Sport and the Minister of Finance to the Chairman of the Lower House of the States General of the twenty-first of March two thousand (Lower House, session 1999-2000, 25 839, number 13), the Dutch government, in acknowledgement of retrospectively identified shortcomings in the restoration of

rights after the Second World War and government actions in that respect, promised inter alia to make funds available in order to put a final end to the criticism of the treatment received by the victims of persecution in question in terms of the restoration of rights and the consequences that this had had for their further existence;

- The administration of the funds to be made available to the Jewish victims of persecution and the distribution or arrangements for distributions of these funds are to be carried out by the foundation to be named below;
- This process is to be implemented within a public law framework;
- In view of its task of distributing the funds or causing them to be distributed, the foundation is deemed to be endowed with public authority and accordingly is to be regarded as an independent administrative body from the moment from which this task is performed;
- The formal act of formation is not to be performed by the Kingdom of the Netherlands;
- The formation of the foundation under the terms of Article 29, paragraph 1, of the Government Accounting Act (*Comptabiliteitswet*), hereinafter “**the Act**” may nevertheless be characterised as the arrangement for the formation of a private law corporate body by the Kingdom of the Netherlands;
- Accordingly, the formation of the foundation in that context shall only take place thirty days after the ministers in question, in accordance with the sentiment of the Council of Ministers, have made written notification of the proposal to do so to both Houses of the States General;
- The written notification in question has been given, as shown by a letter from the Minister of Finance and the Minister of Health, Welfare and Sport addressed to the Presidents of the Upper and Lower Houses of the States General dated the twenty-first of September two thousand, a copy of which letter is attached to this deed;
- Neither of the two Houses has stated the opinion that the proposed legal act of formation requires prior authorisation by law;

They hereby form a foundation in implementation of the above recitals and determine the following articles for that foundation:

Name and registered office.

Article 1.

1. The name of the Foundation is: **Stichting Maror-gelden Overheid**.
2. It has its registered office in the municipality of Amsterdam, the Netherlands.

Object and resources.

Article 2.

1. The object of the Foundation is to administer and distribute, or cause to be distributed, the funds which central government has provided on a single occasion to the Dutch Jewish community in acknowledgement of retrospectively identified shortcomings in the restoration of rights after the Second World War and government actions in that respect, as referred to in the letter from the Prime Minister, the Minister of General Affairs, the Minister of Health, Welfare and Sport and the Minister of Finance to the President of the Lower House of the States

General of the twenty-first of March two thousand (Lower House, session 1999-2000, 25 839, number 13), all in accordance with the disbursement regulations to be determined by the Board and approved by the Minister of Finance, hereinafter "**the Disbursement Regulations**", which require assent:

- a. as regards disbursements to natural persons: from the association established in Amsterdam with full legal capacity, Centraal Joods Overleg Externe Belangen (the Central Jewish Consultation Body for External Interests), hereinafter "**the CJO**", in consultation with its Advisory Board on Restitution and Allocation, and also from the corporate body established in Ramat Gan (Israel), Stichting Platform Israël (A.R.), hereinafter "**Platform Israël**";
- b. as regards disbursements to artificial persons established outside Israel: from the CJO, in consultation with its Advisory Board on Restitution and Allocation;
- c. as regards disbursements to artificial persons established in Israel: from Platform Israël;

all in the broadest sense of the word.

2. It strives to attain this object inter alia by:
  - a. determining the Disbursement Regulations in accordance with the provisions of the first paragraph; the Disbursement Regulations are then to be approved by the Minister of Finance;
  - b. assessing whether an application for a payment complies with the criteria for payment set out in the Disbursement Regulations;
  - c. determining the amount to be paid as a disbursement to an applicant;
  - d. making payments or causing payments to be made on the basis of the Disbursement Regulations.

### Assets.

### Article 3.

1. The Foundation's assets will consist solely of:
  - a. the funds referred to in Article 2, first paragraph;
  - b. the monies that are paid out under the Disbursement Regulations and are then repaid to the Foundation as soon as possible; and
  - c. the interest on the monies referred to in (a) and (b) above.
2. Income other than the monies and interest referred to in the previous paragraph shall be transferred by the Board immediately on its receipt to a foundation having an object that is the same as, or similar to, the object described in the first paragraph of Article 2 of these Articles, such as Stichting Individuele Maror-gelden, Stichting Collectieve Maror-gelden Nederland and Stichting Collectieve Maror-gelden Israël, all established in Amsterdam.

### Board: composition, appointment, resignation of office.

### Article 4.

1. The Board of the Foundation consists of a number of at least three natural persons to be determined jointly by the CJO and Platform Israël; those persons shall not be employed under the responsibility of a Minister. An incomplete Board retains its powers.

2. The CJO, in consultation with its Advisory Board on Restitution and Allocation and with the Advisory Council referred to in Article 9, appoints two Board members and may appoint one or more deputies for each of them, and Platform Israël appoints one Board member may appoint one or more deputies for that Board member. If the Board consists of more than three persons, the remaining Board members are appointed by the CJO and Platform Israël jointly. The members of the Board and their deputies shall be appointed only after they have been approved by the Minister of Finance. Vacancies arising shall be filled as soon as possible by the party or parties which originally appointed the Board member to be replaced; while a vacancy exists, the duties of the Board member whose vacancy is to be filled shall be performed by the deputy designated for that purpose by the party which appointed the Board member in question. Deputies do not form part of the Board unless they are performing the duties of a Board member to be replaced during the period of the vacancy; the deputy shall in that case be registered as a Board member in the Commercial Register.
3. The Board appoints a chairman, a secretary and a treasurer from its number.
4. Board members and their deputies are appointed for a term of no more than four years.
5. Board members and their deputies shall step down in accordance with a retirement rota to be determined by the Board. A Board member or deputy stepping down in accordance with the rota is immediately eligible for re-election but may not be re-elected more than twice.
6. A Board member or deputy leaves office:
  - a. on his death;
  - b. on his retirement in accordance with the rota referred to in the previous paragraph or otherwise;
  - c. as a result of losing control of his assets;
  - d. on his removal by the courts in the cases provided for by law;
  - e. on his dismissal for good reason by the party that originally appointed him, but only following the approval of the Minister of Finance;
  - f. on his dismissal by the party that originally appointed him, on the request of the Minister of Finance for serious reasons; such a request must be honoured unless there is good reason for opposing it.

Board: duties and powers.

Article 5.

1. The Board is charged with the management of the Foundation, provided always that in doing so the Board shall follow the instructions of the Minister of Finance as regards the general lines of its policy.
2. The Board does not have the power to take decisions to enter into agreements, to acquire, sell or encumber registered property or to enter into agreements by which the Foundation binds itself as a surety or as a joint and several debtor, guarantees performance by a third party or furnishes security for the debt of a third party, or to represent the Foundation in such transactions.
3. The Board may take decisions to:
  - a. set up or take part in setting up an artificial person, or participate in a company;
  - b. enter into loan agreements as borrower or lender;

- c. file for the Foundation's bankruptcy or apply for suspension of payments for the Foundation; and
  - d. set up funds, but only after having obtained consent from the Minister of Finance.
4. Subject to the provisions of the first paragraph of this Article, the Board's duties specifically include:
  - a. determining instructions for the Foundation's Sections and supervising those Sections;
  - b. adopting the budget, the annual plan and the other annual financial statements each year;
  - c. rendering account regularly to the Minister of Finance on the Board's performance of its duties and the financial management of the Foundation;
  - d. providing the Minister of Finance on request with the information required for the performance of his duties, including permitting inspection of the Foundation's documents insofar as reasonably necessary for the Minister's duties, all subject to the provisions of paragraph 6 of this Article.
5. The Board has the power to determine and amend regulations making provision for the Foundation's duties and normal operations, provided always that:
  - a. the provisions of the first to the third paragraphs of Article 14 apply mutatis mutandis to a decision to determine or amend the Disbursement Regulations;
  - b. in the case of a regulation relating wholly or partly to:
    - (i) Section II, as referred to in Article 11, first paragraph, letter b, the CJO must give approval and the Advisory Council must be consulted;
    - (ii) Section III, as referred to in Article 11, first paragraph, letter c, Platform Israël must give approval.

The regulations may also relate to the organisation and mode of operation of the bodies referred to in these Articles. The Board shall send copies of all the regulations to the Minister of Finance for information. Any stipulation in a regulation that is contrary to the law or these Articles is void.
6. The Board is required to ensure that the privacy of those concerned is not infringed when information is provided and documents are made available for inspection as referred to in the fourth paragraph of this Article and when books, documents and other media are retained and archived as referred to in the sixth paragraph of Article 13.

Board: representation.

Article 6.

1. The Foundation is represented by the Board. The chairman, acting together with either the secretary or the treasurer, also has representative authority. In the prolonged absence of the chairman or in the event that the post of chairman is vacant, the secretary and treasurer acting together also have representative authority.
2. The Board may decide to grant power of attorney to one or more Board members or to third parties to represent the Foundation within the limits of any such power of attorney.

Board: meetings.

Article 7.

1. Meetings of the Board shall be held as frequently as the chairman or at least two of the other Board members call a Board meeting, but at least twice per year.
2. Board meetings shall be convened by the chairman or at least two of the other Board members, or by the secretary on their behalf. Notice shall be given in writing, stating the matters to be dealt with and giving a period of notice of at least seven days. If the meeting has not been convened in writing or if matters appear on the agenda which were not intimated in the notice, or if the meeting has been convened with a period of notice of less than seven days, valid resolutions may still be adopted provided that the full Board is in attendance and none of the Board members objects to decisions being taken.
3. Board meetings shall be held at a place to be determined by the convenor of the meeting.
4. The meetings are open to the Board members, the deputies provided with proxies by those Board members not attending the meeting, the persons to be designated by the Minister of Finance to represent him, and any further persons admitted to the meeting by the Board members present. A Board member may be represented at the meeting by a deputy whom he has appointed as his proxy by a written document. For this purpose, any message transferred by the usual channels of communication and received in writing is deemed to be a written document.
5. The meetings shall be chaired by the chairman; in his absence, the meeting shall provide its own chairman. Until such an appointment has been made, the meeting shall be chaired by the Board member present who is most senior in appointment or, where two Board members present are equally senior in appointment, by the senior of them in years.
6. Minutes of the matters dealt with at the meeting shall be kept by a person appointed to do so by the chairman of the meeting, and those minutes shall be adopted at that meeting or at the next, subsequent meeting and signed in token of their adoption by the chairman and the minutes secretary.

Board: decision-making.

Article 8.

1. Each Board member has one vote. Except where these Articles specify otherwise, all decisions shall be taken by an absolute majority of the votes cast at a meeting at which at least one Board member appointed by the CJO or the deputy acting as his proxy and the Board member appointed by Platform Israël or the deputy acting as his proxy are present. If at least one Board member appointed by the CJO or the deputy acting as his proxy and the Board member appointed by Platform Israël or the deputy acting as his proxy are not present at the meeting, a second meeting shall be called to be held no less than two and no more than three weeks after the first meeting. At that second meeting, legally valid decisions on the proposals that were on the agenda for the first meeting can be adopted by an absolute majority of the votes cast irrespective of the number of Board members or deputies present.

- Blank votes shall be regarded as uncast votes. In the event of a tied vote the chairman has the casting vote.
2. All votes shall be taken orally. However, the chairman may determine that votes are to be cast in writing. In the case of an election, any person present and entitled to vote may also ask for the votes to be cast in writing. Votes in writing are cast using unsigned ballots.
  3. The Board may also take decisions without holding a meeting provided that all the Board members are given the opportunity to cast their votes and that they have all declared in writing that they do not object to this form of decision-making. A decision is adopted whenever the required majority of all the Board members has expressed itself in favour of the proposal in writing. A report of a decision adopted without holding a meeting shall be drawn up by the secretary and that report shall be adopted at that meeting or at the next subsequent meeting and signed in token of its adoption by the chairman and the minutes secretary of that meeting. The report so adopted shall be added to the minutes together with the documents referred to in the first sentence of this paragraph.
  4. A Board member shall abstain from deliberation and voting if a decision is being taken on a payment to be made under the Disbursement Regulations specifically to:
    - a. the Board member or the spouse or registered partner of the Board member;
    - b. a person with whom the Board member conducts a common household;
    - c. a blood relative or relative by affinity of the Board member to the second degree; or
    - d. an artificial person or its subsidiary of which the Board member or one of the above-named persons is or has been a director during the four years preceding the decision in question.

#### Advisory Council.

##### Article 9.

The Foundation has an Advisory Council, the members of which are appointed and removed by the Board. The members of the Advisory Council provide the Board with advice, both solicited and unsolicited, on policy-related matters concerning Section II. The Advisory Council's recommendations are not binding.

#### Board of experts.

##### Article 10.

The Foundation has a board of experts the members of which are appointed and removed by the Board. The members of the board of experts who are resident in the Netherlands provide the Board and the Advisory Council with advice, both solicited and unsolicited, on decisions to be taken by Section II; the members of the board of experts who are resident in Israel provide the Board with advice, both solicited and unsolicited, on decisions concerning Section III. The recommendations of the board of experts are not binding.

Sections: composition and duties.

Article 11.

1. The Foundation has three Sections:
  - a. Section I, which decides on payments to individuals on the basis of the Disbursement Regulations and on the basis of its mandate from the Board in that respect;
  - b. Section II, which decides on payments relating to collective purposes located in the Netherlands and in other countries (other than Israel) in the interests of the Dutch Jewish community on the basis of the Disbursement Regulations and on the basis of its mandate from the Board in that respect;
  - c. Section III, which decides on payments relating to collective purposes located in Israel in the interests of the Dutch Jewish community on the basis of the Disbursement Regulations and on the basis of its mandate from the Board in that respect.
2. The number of members in each Section, the composition of each Section and the decision-making procedure applying within each Section is determined by the Board, provided always that:
  - a. the members of Section I are appointed and removed jointly by the CJO and Platform Israël in consultation with the CJO's Advisory Board on Restitution and Allocation;
  - b. the members of Section II are appointed and removed by the CJO in consultation with the Advisory Council
  - c. the members of Section III are appointed and removed by Platform Israël. The meetings of the Sections are open to the Board members, the persons appointed by the Minister of Finance to represent him, and any further persons admitted to the meeting by the Section members present.
3. In accordance with the Disbursement Regulations and their mandates from the Board, the Sections have the task of:
  - a. assessing whether an application for a payment complies with the criteria for payment set out in the Disbursement Regulations;
  - b. determining the amount to be paid as a disbursement to one or more applicants; and
  - c. making or arranging for a disbursement subject to the provisions of the first paragraph of this article.
4. The Board may amend or determine a mandate as referred to in the previous paragraph, but only following:
  - a. consent from the CJO in consultation with its Advisory Board on Restitution and Allocation and also from Platform Israël, in the case of a mandate to Section I;
  - b. consent from the CJO, having consulted the Advisory Council, in the case of a mandate to Section II;
  - c. consent from Platform Israël, in the case of a mandate to Section III.



Objections committee.

Article 12.

1. The Board shall appoint an objections committee with as many divisions as the Board may consider necessary, consisting of a number of independent experts to be determined by the Board.
2. The objections committee has the task of advising the Board and the Sections on the notices of objection as referred to in the Disbursement Regulations. The objections committee's recommendations are not binding.

Accounting year, budget and annual financial statements.

Article 13.

1. The Foundation's financial year shall be the same as the calendar year.
2. The Board shall keep such records of the Foundation's financial position and of everything concerning the work of the Foundation in accordance with the requirements resulting from these activities and maintain the relevant books, documents and other media in such a way as to enable the Foundation's entitlements and obligations to be determined from them at all times.
3. Annually within two months after the end of the financial year the Board shall prepare the following annual financial statements:
  - a. the Foundation's balance sheet and statement of income and expenditure as of the end of that financial year;
  - b. a report on the Foundation's activities, the general management conducted, and the efficiency and effectiveness of its activities and procedures in particular;
  - c. a budget for the next financial year;and shall have the balance sheet and statement of income and expenditure referred to in (a) audited by an auditor to be appointed by the Board pursuant to Article 393 of Book 2 of the Dutch Civil Code. The auditor shall provide a report on the audit and shall issue an opinion on whether the financial statements give a true and fair view. When appointing the auditor, the Board shall stipulate that the Minister of Finance is to be permitted to inspect the auditor's audit activities on request.
4. The Board shall send the annual financial statements referred to in the third paragraph to the Minister of Finance for information. These annual financial statements shall be adopted by the Board as soon as possible but not earlier than one month after they have been sent to the Minister of Finance unless the Minister of Finance makes any objection to them within that month.
5. The Board and the Minister of Finance shall evaluate the Foundation's activities once per year or as much more frequently as the Minister of Finance may wish.
6. Subject to the provisions in the sixth paragraph of Article 5, the Board shall retain the books, documents and other media referred to in the previous paragraphs for seven years, provided always that those books, documents and other media must be transferred to the general state archive repository referred to in Article 26 of the Archive Act 1995 (*Archiefwet*) as soon as the Board considers possible and in any event at the end of the seven-year period.

## Amendment of the Articles.

### Article 14.

1. The Minister of Finance may amend the Articles after having consulted the Board. The Board may also amend the Articles, but only after having obtained written consent from:
  - a. the CJO, in consultation with its Advisory Board on Restitution and Allocation;
  - b. Platform Israël; and
  - c. the Minister of Finance.
2. A resolution of the Board to amend the Articles requires a two-thirds majority of the votes cast at a full meeting of the Board. If all Board members are not present or represented at a meeting at which a proposal to amend the Articles is on the agenda, a second meeting shall be convened to be held not less than two weeks and not more than four weeks after the first meeting. Irrespective of the number of Board members then present or represented, that second meeting may adopt a legally valid decision on the proposal that was on the agenda for the first meeting, provided that it is adopted by a majority of at least two-thirds of the votes cast.
3. A copy of the proposal to amend the Articles, including the proposed amendment verbatim, must be attached to the notice calling the meeting at which a motion to amend the Articles is to be proposed on the basis of a decision by the Board.
4. A decision to amend the articles does not become effective until it has been incorporated in a notarial deed. Any Board member is authorised to have the relevant deed executed.

## Dissolution.

### Article 15.

1. The Minister of Finance may dissolve the Foundation after having consulted the Board. The Board may also dissolve the Foundation, but only after having obtained written consent from:
  - a. the CJO, in consultation with its Advisory Board on Restitution and Allocation;
  - b. Platform Israël; and
  - c. the Minister of Finance.
2. The stipulations in the second paragraph of the previous Article apply mutatis mutandis to a resolution by the Board to dissolve the Foundation.
3. On dissolution, the Foundation shall be wound up by the Board members.
4. The resolution to dissolve the Foundation shall also determine the appropriation of the Foundation's surplus after liquidation; this shall be done in accordance with the Foundation's object and requires the prior consent of:
  - a. the CJO, in consultation with its Advisory Board on Restitution and Allocation;
  - b. Platform Israël; and
  - c. the Minister of Finance.
5. On completion of the winding up, the books, documents and other media of the dissolved Foundation as referred to in Article 13 shall be transferred to the general state archive repository referred to in Article 26 of the Archive Act 1995.
6. The provisions of Title 1 of Book 2 of the Dutch Civil Code shall also apply to the winding up.

Final provision.

Article 16.

In all cases not provided for either by the law or by these Articles, the Board shall decide.

Transitional provision.

Article 17.

The Foundation's first financial year ends on the thirty-first of December two thousand.

END OF ARTICLES.

Closing declaration.

Finally, the persons appearing, acting as stated, declared that as part of the present act of formation the following persons are appointed as members of the Board of the Foundation in the positions shown after their names:

1. Michel Robert van der Heijden, residing at Kostverlorenstraat 125(a) in (2042 PE) Zandvoort, the Netherlands, born in Oisterwijk on the seventh of July one thousand nine hundred and forty-five: Chairman;
2. Fred Ensel, residing at Selderust 8 in (1181 MJ) Amstelveen, the Netherlands, born in Haarlem on the twenty-fourth of May one thousand nine hundred and forty-six: Vice-Chairman;
3. Michaël Gelber, residing at Oostmaaslaan 420 in (3063 DE) Rotterdam, the Netherlands, born in Ede on the twenty-eighth of September one thousand nine hundred and thirty-five: Board member;
4. Jacob Bernard Polak, residing at Oldenaller 80 in (1081 HK) Amsterdam, the Netherlands, born in Amsterdam on the tenth of July one thousand nine hundred and thirty-three: Board member;
5. Reina Louise Spier-van der Woude, residing at Gerrit van der Veenstraat 17 in (1077 DM) Amsterdam, the Netherlands, born in Amsterdam on the eighth of February one thousand nine hundred and thirty-nine: Board member;
6. Abraham Roet, residing at Michelangelostraat 43(b) in (1077 BB) Amsterdam, the Netherlands, born in Amsterdam on the twenty-first of June one thousand nine hundred and twenty-eight: Board member;
7. Philip Staal, residing at May'ajan 15 in 37113 Pardes Hanna, Israel, born in Amsterdam on the thirteen of June one thousand nine hundred and forty-one: Board member.

Conclusion of deed.

The parties appearing are known to me, the Notary.

**IN WITNESS WHEREOF** this deed was executed in one original copy at The Hague on the date first above written.

After the substance of the present deed had been made known to the persons appearing and an explanation of its content had been given, the persons appearing declared that they had had sufficient opportunity to take cognisance of the contents of this deed prior

to its execution and had done so, that they agreed to the content of the deed and did not require the deed to be read out in full.

Those parts of the present deed that are required by law to be read out having been so read out, this deed was then signed immediately by the persons appearing and immediately thereafter by me, the Notary.

## EXPLANATORY NOTES ON THE ARTICLES OF STICHTING MAROR-GELDEN OVERHEID

### **Note on Article 1** *Name and registered office:*

Under Article 2:286 of the Dutch Civil Code ("BW") the Articles of Association must contain the name of the foundation, with the word "stichting" ("foundation") as part of the name. The word "Maror" in the foundation name is an acronym for the Dutch words "morele aansprakelijkheid roof en rechtsherstel" ("moral liability in respect of robbery and restoration of rights"), while "Maror-gelden overheid" means "government Maror funds".

The municipality in the Netherlands where the foundation has its registered office also has to be shown in the Articles under the above legal provision. The municipality where the foundation is registered is important, for instance, in determining where legal proceedings can be brought. The address of the foundation's place of business need not be in the municipality where its registered office is located.

### **Note on Article 2** *Object and resources:*

Under Article 2:286 BW the object of the foundation must also be described in its Articles. The object of Stichting Maror-gelden Overheid is to administer and distribute or cause to be distributed the funds which the Dutch central government has provided on a single occasion to the Dutch Jewish community. This is to be done in accordance with the disbursement regulations to be determined by the foundation's board and to be approved by the Minister of Finance. These regulations also require the assent of the parties listed in (a), (b) or (c) of the first paragraph of this Article.

It follows from Article 11 of the Articles that these monies are also intended for collective Jewish purposes in the Netherlands and in other countries. A collective purpose might, for instance, be the building and maintenance of synagogues anywhere in the world. However, the purposes must be exclusively collective Jewish purposes to benefit the Dutch Jewish community. Another foundation, Stichting Joods Humanitair Fonds, is to be set up to allocate monies intended for collective purposes located outside the Netherlands to benefit the remainder of the Jewish community other than the Dutch Jewish community. This latter foundation is therefore intended, for example, to distribute money for the maintenance of a synagogue in France belonging to the French Jewish community.

A foundation's object limits the powers of its board; if a board member or another representative of the foundation carries out a legal act that is contrary to the foundation's object, the foundation can have that legal act voided if the other party was aware (or ought reasonably to have been aware without investigating the matter personally) that the act was not covered by the foundation's object. The right to do so lapses after one year.

### **Note on Article 3** *Assets:*

To prevent the funds provided by the central government on a single occasion being supplemented by other assets in future, the first paragraph of this Article lays down that the foundation's assets may consist solely of the funds referred to plus interest. By the manner in which the Article is formulated, the funds provided by central government (and the interest attracted by them) are kept separate from monies derived from other sources. If the foundation receives monies of the latter kind, its board must immediately transfer them to one or more of the foundations named in the second paragraph of this Article.

**Note on Article 4** *Composition, appointment and resignation of the board:*

The first paragraph of this Article lays down that a person employed under the responsibility of a Minister cannot be appointed as a member of the board. According to the Instructions for Regulations, this restriction is intended to ensure that a Minister is not able to influence the board's decision-making through one of his subordinate officials.

The parties that appoint the board members may also appoint one or more deputies for each of them. A deputy takes the place of the board member for whom he was appointed if the member is unable to attend a board meeting for whatever reason; however, the deputy can only act as such if he has been given a proxy to do so by the board member who is unable to attend the board meeting. (See also Article 7, paragraph 4, of the Articles.) Deputies do not form part of the board of the foundation unless they are performing the duties of a board member who is to be replaced during the period that the latter's post is vacant. When that happens, they must be registered in the Commercial Register as a member of the board.

Under Article 4, paragraph 6(e), of the Articles, a board member or his deputy may be dismissed for good reason by the party that appointed him, but only with the approval of the Minister of Finance. There is good reason for instance if the board member or deputy in question ceases to be a member of the board of the appointing body for whatever reason.

**Note on Article 5** *Board's duties and powers:*

Under the first paragraph of this Article, in the performance of its management duties the board must act in accordance with the instructions of the Minister of Finance as regards the general lines of its policy; the board otherwise retains its autonomy.

Article 2:291 BW lays down that the board of a foundation may take the decisions listed in Article 5, paragraph 2, of the Articles only if its Articles so specify. Nevertheless, for reasons of clarity this paragraph states expressly that the board of the foundation is not authorised to take these decisions. In accordance with Article 4:71 General Administrative Law Act (*Algemene Wet Bestuursrecht*, "AWB") the board of the foundation has the power to decide on the legal acts shown in Article 5, paragraph 3. While it is not considered likely that the board of the foundation will decide to perform one or more of these legal acts, on the request of the Ministry of Finance it has been stipulated for safety's sake that the Minister of Finance will have to give the board prior permission if the board wishes to decide on one or more of these legal acts.

With a view to the protection of privacy, paragraph 6 of this Article includes the requirement for the board to ensure that the privacy of those concerned is not infringed when information required by the Minister of Finance for the performance of his duties is provided on request and when the foundation's books, documents and other media are retained and archived. "Those concerned" are interested parties and substitutes as defined in the Disbursement Regulations for Individual Disbursements of Stichting Maror-gelden Overheid, their spouses or registered partners, persons with whom they conduct a common household, and the relatives by blood or affinity of the previously specified persons to the second degree.

**Note on Article 6** *Representation by the board:*

The general rule is that by law a foundation is represented by its board as a whole. For reasons of practicality, the Articles may lay down that one or more members of the board shall also have the power to represent the foundation. That legal option has been adopted in the first paragraph of this Article.

In addition, the foundation's board can grant power of attorney to represent the foundation to a board member who is not otherwise authorised to represent the foundation, or to a third party. When such a power of attorney is granted, the limits within which the attorney may represent the foundation must also be specified. For example, the power of attorney can be restricted to specific acts or to transactions up to a specified value. Also, the power of attorney can be granted for an unlimited period, or it may be restricted to a specified period or to the performance of a specific transaction.

**Note on Article 7 *Meetings of the board:***

Under the first paragraph of this article, the board of the foundation must meet at least twice per year. Obviously that frequency may not be sufficient for the board to perform its duties adequately; in fact, the board must meet as often as is necessary to carry out its duties.

**Note on article 8 *Decision-making in the board:***

To avoid a situation where the board of the foundation is unable to take decisions because none of the board members appointed by the CJO or Platform Israël or their deputies are present at the meeting, the first paragraph of this Article provides that in such a case a second meeting shall be called at which legally valid decisions can be taken irrespective of the number of board members and deputies present. The third paragraph of this Article provides an additional facility: the board can take decisions without holding a meeting as long as all the members of the board have been given the opportunity to cast their votes and they have stated that they do not object to this procedure. Obviously, this does not mean that the board can bypass the Minister of Finance and the persons to be designated by the Minister of Finance to represent him, who have access to the board meetings under Article 7, paragraph 4, of the Articles, when taking its decisions. That would be contrary to the rule laid down in Article 2:8 BW that an artificial person and those parties that are involved in its organisation under the law and its Articles (i.e. including those persons to be designated by the Minister of Finance and the Minister himself) must behave towards each other in accordance with the demands of reasonableness and fairness. In view of the Minister of Finance's right to have persons designated by him present as his representatives at board meetings, that legal obligation effectively means that the Minister will have to be consulted before the board takes any decision without a meeting. If that has not been done, the law penalises any decision taken in this way by making it possible for the Minister to have the decision in question set aside by the courts.

**Note on Article 9 *Advisory Council:***

In general, Articles 9 to 12 of the Articles are intended to provide the basis for expert, impartial decision-making by the various organs of the foundation.

The Advisory Council is a representative organ whose members are appointed and removed by the board. Their duties are to provide the board with advice, both solicited and unsolicited, on policy matters relating to Section II, which is referred to in Article 11, paragraph 1(b), of the Articles. These recommendations are not binding on the board. In addition, the second paragraph of Article 4 of the Articles lays down the obligation for the CJO to consult with bodies, including the Advisory Council, before proceeding to appoint board members and where appropriate their deputies. The Advisory Council should be distinguished from the Advisory Board on Restitution and Allocation, which acts as an organ of the CJO.

**Note on Article 10** *Board of experts:*

The decisions on disbursements towards collective Jewish purposes that are to be taken by the board of the foundation, or by Section II and Section III under mandate from the board, are prepared by a board of experts. The board of experts will be constituted specifically for the various kinds of project that may qualify for a disbursement in a way quite similar to what happens, for instance, in the Koningin Wilhelminafonds and other major charitable institutions. The Sections that have been given the mandate to decide on disbursements by the foundation's board do so on the basis of the recommendations from the board of experts. Again, those recommendations are not binding.

**Note on Article 11** *Sections:*

The mandate from the foundation's board to Sections II and III is similar to the task that the board of Stichting Joods Humanitair Fonds will have. Both the board of Stichting Maror-gelden Overheid (or its Sections II and III acting on the board's mandate) and the board of Stichting Joods Humanitair Fonds have the task of distributing or arranging for the distribution of funds for collective Jewish purposes. But, depending on the target group, the task of distributing funds (or arranging for their distribution) is to be carried out either by the board of Stichting Maror-gelden Overheid (and its Sections II and III) or by the board of Stichting Joods Humanitair Fonds. Where the target group is the Dutch Jewish community, it is up to the board of the former foundation (or its Sections II and III) to make or arrange for disbursements. Where the target group is other than the Dutch Jewish community, the board of Stichting Joods Humanitair Fonds is responsible for providing or arranging for disbursements. In addition, the purposes receiving financial support from the latter foundation must be located outside the Netherlands if its board is to be able to make or arrange for payments towards these purposes. That restriction does not apply to the board of Stichting Maror-gelden Overheid. See also the explanatory note on Article 2 of the Articles.

**Note on Article 12** *Objections committee:*

The objections committee implements the right granted to interested parties by administrative law to submit objections to the decisions taken by the foundation. The objections committee has the task of advising the board and the Sections on the notices of objection as referred to in the Disbursement Regulations. Once again, its recommendations are not binding.

**Note on Article 13** *Accounting year, budget and annual financial statements:*

The obligation included in the second paragraph of this Article is based on Article 2:10 BW. The period of two months in the third paragraph of this Article is in line with the period applied by other independent administrative bodies set up on the initiative of the Ministry of Finance. The statutory period for which the board of a foundation must retain its books, documents and other media is seven years. In view of the importance of being able to consult the records also at a later date, paragraph 6 of this Article provides that these books, documents and other media must be transferred to the general state archive repository no later than at the end of that seven-year period. As mentioned above in the note to Article 5, the privacy of the persons concerned must be respected in the process.



**Note on Article 14** *Amendment of the articles:*

Both the Minister of Finance (having first consulted the board) and the board itself (having first obtained the written consent of the parties mentioned in the first paragraph of this Article) may amend the Articles of the foundation.

**Note on Article 15** *Dissolution:*

Both the Minister of Finance (having first consulted the board) and the board itself (having first obtained the written consent of the parties mentioned in the first paragraph of this Article) may dissolve the foundation. Irrespective of who takes the decision to dissolve the foundation, paragraph 4 of this Article stipulates that the decision in question must also specify how any surplus remaining after the dissolution of the foundation is to be appropriated, with the restriction that this can be done only after written approval has been obtained from the parties named in that paragraph.

**Note on Article 16** *Final provision:*

For completeness, this Article expressly states that the board of the foundation shall decide in all cases that have not been provided for by law or by the Articles of the foundation.

**Note on Article 17** *Transitional provision:*

The end of the foundation's first financial year could have been set at 31 December of the year in which the foundation was set up or 31 December of the following calendar year. Accordingly, at the end of the Articles it has been specified for clarity that the foundation's first financial year ends on 31 December 2000.