

STATUTES

CHAPTER I

Nature, nationality, duration and seat of the Institution

Article 1.

The Calouste Gulbenkian Foundation, established by Calouste Sarkis Gulbenkian by his Will dated the 18th June 1953, which he left when he died on the 20th of July 1955, is a private Institution of general public utility, endowed with legal personality, which will be governed by the present Statutes. Anything omitted therefrom, will be governed by appropriate Portuguese law.

Art. 2.

The Institution is Portuguese and is in perpetuity.

Art. 3.

The seat is in Lisbon, it being, however, possible to establish branches wherever it may be deemed necessary or expedient.

CHAPTER II

Purposes of the Foundation and localities of its activities

Art. 4.

The purposes of the Foundation are charitable, artistic, educational and scientific.

Art. 5.

The activities of the Foundation will be exercised, not only in Portugal, but also in any other country where its administrators deem it expedient.

Art. 6.

The administrators of the Foundation will decide, amongst the aims of the Institution, not only the particular purpose or purposes to be carried out in each place but also the form and manner of so doing.

Art. 7.

Besides the general purposes mentioned in Article 4, the Foundation has, according to the formal terms laid down in the Founder's Will, the following specific objects:

- a) Provision for all the specific subsidies which the Testator, up to the date of his death, granted in a regular manner to any person individually or to charitable, artistic, religious or scientific institutions, notwithstanding the place where they are established or the place of their activities;
- b) provision for the subsidies which, up to the date of the execution of the Will, the Testator granted to the Yedi-Kule-Hospital, in Istanbul, and to the Gulbenkian Library, in Jerusalem;
- c) provision for the life annuities and retirement pensions established by the Will; and
- d) provision for all the remaining obligations and for the carrying out of all the directions in the Will which the Executors, for one reason or another, have not been able to carry out, especially that established in Clause 24.

§ Sole.

Any doubts which may arise with regard to the execution of the special purpose referred to in paragraph a) of the introduction of this Article will be freely resolved by the administrators of the Foundation.

CHAPTER III Endowment

Art. 8.

The endowment of the Calouste Gulbenkian Foundation is constituted by:

1. All the assets of the Testator's estate, irrespective of their nature and locality, for which no other purpose was assigned by the Will;
2. All the assets which constitute the capital of trusts, created by the Testator, during his life or by his Will, in favour of third parties as and when those trusts cease to exist for any reason, provided that no other purpose was assigned to the assets concerned by the Deed of Constitution of such trust;
3. The assets which the Foundation will acquire from the available income of its endowment;
4. The subsidies, eventual or permanent, which may happen to be granted by any public-spirited persons; and, also,
5. All other assets which may accrue to the Foundation by any other free gift.

Art. 9.

The Foundation can:

- a) Acquire real estate, not only that necessary for establishing its headquarters, branches and charitable, artistic, educational and scientific institutions, created or maintained by the Foundation, but also any which its administration may deem it proper to acquire with a view to realising a more productive or less hazardous use of the assets of its endowment; and
- b) Accept outright donations and legacies, as well as conditional or onerous donations and legacies, provided, in the latter cases, that any condition or its product is not opposed to the aims of the Institution.

CHAPTER IV
Administration

Art. 10.

The administration of the Foundation will be carried out by a board, composed of between three and nine members, of which one will be Chairman.

Art. 11.

Since the Institution is Portuguese and has to operate under Portuguese law, the majority of the members of its board must be of Portuguese nationality.

Art. 12.

As long as there are descendants of the Founder in the direct line living, one of the seats of the board of administration should be preferably occupied by one of those descendants, when in this connection the circumstances foreseen in the final part of Rule I of Clause 18 of the Founder's Will are present.

Art. 13.

The board of administration, as a tribute to the memory of the Founder, may create the post of Honorary President of the Foundation, for the purpose of conferring it whenever the board so decides, upon any direct descendant of the Founder.

The Honorary President of the Foundation will have no special functions to fulfil and therefore his functions will only by those arising from his membership of the board of administration, should he become a member of such board.

Art. 14.

As stipulated in the Will, the board of administration has the widest powers of representation of the Foundation, of free management and disposal of its endowment and for the realisation of the aims for which the latter was instituted.

Art. 15.

The board of administration may create outside Portugal, in such other countries where the Foundation may carry out its activities, temporarily or permanently, any kind of representation, organising the same in the manner considered the most efficacious.

Art. 16.

To carry out the provisions of the foregoing Article and further, for the purpose of co-operation in the carrying out of its functions, the board of administration may, in particular:

- a) Create bodies, permanent or otherwise, for the purpose of consultation and information, within each of the branches of the activities which constitute the purpose or aims of the Foundation, establish the regulation to which its operations are to be subject, and fill the respective posts;
- b) Create not only the trusts foreseen in the Will, but also any others which may prove necessary and convenient for the good and most economical management of the endowment of the Foundation and transfer thereto the control, ownership and administration, or the administration alone, of any assets which form part of the said endowment;
- c) Delegate, for a definite or indefinite period, to any of its members, individually or jointly, or to persons not on the board, the representation of the same and the exercise of one or more of its powers;
- d) Entrust capable persons, under the designation of Secretary General and of Assistant Secretaries, with the carrying out of the ordinary routine work of the Foundation and the execution of the board's resolutions or the decisions of its members entrusted with delegated authority; and
- e) Appoint Attorneys.

§ Sole.

The Instruments of Delegation and the Powers of Attorney will specify the powers delegate or conferred and the conditions under which they are to be exercised.

Art. 17.

The Calouste Gulbenkian Foundation is bound by:

- a) The signature of any two members of its board of administration;
- b) The signature, individual or joint, of one or more delegates, or of one or more attorneys of the board of administration, as stipulated in the respective Instruments of delegation or powers of attorney.

Art. 18.

The functions of the members of the board of administration chosen by the Founder in the Will which created the Foundation, and therein called trustees, are, as stipulated in the said Will, for life.

The functions of members of the board of administration, when carried out by any direct descendant of the Founder, are similarly for life.

The functions of the other members of the board of administration are temporary and renewable, as set out in Article 20.

Art. 19.

The present existing vacancies on the board of administration and those which may occur until all members envisaged in Article 10 have been chosen, on first appointment, will be filled, exclusively, by the choice of the life members actually in office appointed in the Will. Vacancies which may occur after all the seats on the board have been filled will be filled by resolution of all its members, and the same will apply when there are no longer life members and the completion of the board, according to the previous Clause, is exclusively within their competence.

Art. 20.

The duties of temporary members of the board will be for five-year periods and will always be renewable as set out in the following Article.

Art. 21.

At least ninety days prior to the end of each period of duration of the duties of temporary members, the board will decide by means of a secret ballot, whether their appointment should or should not be renewed. Should renewal be decided upon, this will apply to the two longest-standing members of the board, and, in the case of their period of duty being identical, renewal will apply to the two oldest.

Art. 22.

Members of the board of administration will be remunerated as stipulated in the Will.

CHAPTER V

Financial Control

Art. 23.

The board of administration will, every year, make an exact inventory of the endowment of the Foundation and prepare a statement of all its income and expenditure.

For this purpose the necessary audit will have to be arranged and made under the permanent control of a reputable firm of Chartered Accountants, as set out in the Will.

Art. 24.

In addition there will be an Accountancy Checking Commission, consisting of the Director-General of Public Accountancy, the Director-General of Public Assistance and of three additional members: one to be appointed by the Lisbon Academy of Science, another by the National Academy of Arts and the third by the National Board of Banks and Banking Houses.

§ Sole.

The functions of the three latter members will be for a five-year period and will always be renewable.

Art. 25.

The Accountancy Checking Commission must:

1. Examine, by the 30th June of each year, the inventory of the endowment of the Foundation and the statement of the revenue and expenditure for the previous year, taking as a basis the Chartered Accountants' reports and the documents pertaining thereto;
2. Check whether the revenue of the endowment of the Foundation was employed in accordance with the purposes of the Statutes.

Art. 26.

The Accountancy Checking Commission will make its annual report, which will be published compulsorily at the expense of the Foundation.

Art. 27.

The Accountancy Checking Commission will receive the remuneration fixed before it enters upon its duties by the board of administration.

Such remuneration can be altered at the end of each three-year period.

CHAPTER VI
Transitory Dispositions

Art. 28.

After approval of these Statutes, the life members of the board of administration will, in accordance with the terms of the respective Article 19 and of Clause 18 of the Will, proceed, to the extent may deem it necessary, to fill all or only some of the existing vacancies in the said board.

Art. 29.

The first Accountancy Checking Commission shall be definitely constituted within a period of 60 days as from the date of approval of these Statutes.

Art. 30.

The first inventory, statement and accounts of the Foundation will be closed on the 31st December 1957.