

THE EVERLASTING HOPE FOUNDATION is a legal entity, its legal status is governed by the Act No. 89/2012 Coll., The Civil Code, other generally applicable regulations, the Founding document and this Statute.

This Statute was approved at the first meeting by the Board of Trustees on 28th March 2017 and came into effectiveness upon its approval.

ARTICLE I.

NAME OF THE FOUNDATION

The name of the Foundation is: THE EVERLASTING HOPE FOUNDATION

ARTICLE II.

THE FOUNDATION

The Foundation's registered seat is Prague, Varšavská 38.

ARTICLE III.

PURPOSE OF THE FOUNDATION

1. The purpose of the foundation and its activities are:

A. the development of the legacy of the Terezin composers and Gustav Mahler and other authors, especially by live interpretations and other forms such as competitions, conferences, awards, research, publications, Workshops, theater and arts

B. musical art promotion, especially the organization of the EVERLASTING HOPE FESTIVAL and all accompanying activities, artistically valuable music promotion, European classical music and European cultural values promotion

C. support for young artists, beginning musicians and youth with the interest in culture and support of the access for disadvantaged people in society to the cultural values.

2. The purpose of the Foundation may be changed only by the founders of the Foundation.

3. The Board of Trustees will define the particular projects to implement the purpose of the Foundation.

ARTICLE IV

THE FOUNDATION'S ASSET

1. According to the Foundation document, the Founders have committed to pay contributions, namely DaDa plus ltd, registered office in Prague 1, Petráská 1168/29, ID: 61855006, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, File 31474 capital contribution CZK 10,000, ESJP sro, registered office at Říčany, Hotel 9/57, ID: 24797804, registered in the Commercial Register kept by the Municipal Court in Prague, Section C, File 175166, capital contribution 10,000 , - CZK. Cash deposits of 20,000 CZK were administered by the deposit administrator, the company ESJP s.r.o., until the the EVERLASTING HOPE FOUNDATION was established. ESJP s.r.o. the documents and assets deposited to the Founders on the repayment of the property deposits without any undue delay to the bank account established for the Foundation.

2. The assets of the Endowment Fund comprise the founders' contributions and the sources listed below. The Foundation's assets are managed by the Board of Trustees.

3. Assets of the Endowment Fund may consist of cash, securities, immovable and movable property, as well as other property rights and other property values without the pledges.

4. The Endowment Fund may own a share in the capital of a trading company.

5. The Endowment Fund shall use all property to achieve the purpose which it was established for. The Foundation raises the funds for its activities mainly, but not only, in the form of donations provided by domestic and foreign legal entities and natural persons, income from the Foundation's assets, revenues from its own activities, income from participation in other legal entities. The Endowment Fund may also acquire property by renting property, organizing lotteries, tombolas, public collections, cultural, social, sporting and educational events. The assets of the Endowment Fund must not be pledged or under any obligation.

6. The Board of Trustees of the Endowment Fund may, after duly substantiation, decide that the Endowment Fund will obtain a trade license for activities corresponding to the purpose of the Endowment Fund.

7. Other issues relating to the acquisition of property of the Endowment Fund as well as its use, reimbursement of the costs associated with the administration and accounting of the Foundation Fund and not regulated in the internal regulations of the Endowment Fund approved by the Board of Directors or in the Statute of the Endowment Fund shall be governed by Act No. 89/2012 Coll. the Civil Code, and special law regulations.

ARTICLE V.

CONDITIONS FOR THE PROVIDING GRANTS

1. Assets of the Endowment Fund may be used purposefully in the form of Foundation grants in compliance with the legal conditions and the conditions under this Statute, as well as to pay the costs associated with the administration of the Foundation Fund. The grants will be dedicated to the above-mentioned purposes (see Article III.) As well as to

- financial provision of the activities in Article III, in particular individual projects;
- pay for work for the Foundation on the basis of an order or with the prior approval of the Board of Trustees of the Foundation;
- reimbursement of travel expenses for those working for the Foundation Fund, in accordance with the applicable regulations, on the basis of a statement submitted to the Board of Trustees of the Foundation;
- promote cooperation in accordance with the purpose and the objective of the Foundation or related projects (see Article III.3 of this Statute);
- support for the research and pedagogical activities.

2. The Foundation grant may be provided either in the form of a project financing defined by the Board of Trustees (see Article III. of this Statute), a financial benefit specifically related to the purchase of a particular thing, a realization of a repair or a project or directly in a form of a material benefit, particularly a needful equipment, the provision for study and research interships, etc.

3. The grants may be granted on the basis of necessity, legitimacy and expertise, in particular to natural and legal persons in accordance with the purpose of the Endowment Fund, whether with full or partial legal personality and regardless of the form of their ownership and persons operating in the area specified in Article III, solely for projects related to the purpose of the Endowment Fund. The Board of Trustees shall decide on the grant of the Foundation's contribution to a particular person in accordance with the rules laid down by the Management Board for each calendar year.

4. The granted person shall be obliged to use the grant in accordance with the terms and conditions set by the Board of Trustees in accordance with the purpose and objective of the fund. In any other case, the use of the Foundation grant is a subject to the obligation to be returned or replaced in cash within the deadline set by the Foundation, but no later than five months from the date of the first call.

5. The granted person is required to prove on request how and what purpose it was used for.

6. The Foundation Grant can not be provided to any member of any of its bodies. The Foundation Fund must not participate in the funding of political parties or political movements.



ARTICLE VI.

FOUNDATION COSTS

1. The costs associated with the management of the Foundation Fund are kept separately from the Foundation's contributions and include in particular the cost of maintaining and capitalizing on assets, the cost of promoting the purpose and related to the operation of the Foundation, including the possible remuneration of members of the Board of Trustees and the Fund's Auditor, Committee, which are associated with participation in the Honorary Committee.

2. The total annual costs associated with the management of the Foundation Fund may not exceed 30% of the grants provided annually.

ARTICLE VII.

THE FOUNDATION FUND AUTHORITIES

1. The bodies of the Foundation Fund established by the Foundation document are:

- a. The Board of Trustees,
- b. Auditor.

2. Other bodies of the Foundation Fund are:

- a. Honorary Committee, Honorary Presidents and Honorary Directors,
- b. Committees.

ARTICLE VIII.

BOARD OF TRUSTEES

1. The Board of Trustees administers the assets of the Foundation Fund, manages its activities, decides on all matters of the Endowment Fund. It acts always with respect to the aim and the purpose of the Foundation. The Board of Trustees is the statutory body of the Foundation

2. The exclusive competence of the Board of Trustees is in accordance with the Founding document to:

- issue a new Statute of the Endowment Fund and decide on its changes not concerning the purpose of the Foundation;
- elaborate *the Foundation's Action Plan* for a three-year period and propose to the Honor Committee
- approve the budget of the Foundation and its changes;
- approve the Annual closing financial statement and the Annual Activity Report of the Foundation (hereinafter referred to as the "Annual Report");
- decide on the merging of the Endowment Fund;
- appoint a liquidator of the Foundation Fund in cases specified by law;
- appoint Honorary Presidents and Honorary Directors who form the Honorary Committee of the Endowment Fund;
- establish Committees, appoint the members of the Committees and their chairmen;
- determine the amount of remuneration for the function of a member of the Board of Trustees and the Auditor;
- decide to change the seat of the Foundation;
- issue specific written rules on donations of the Foundation, to lay down the conditions for the selection of applicants for the Foundation grant;
- establish rules for reducing the costs associated with the management of the Foundation every five years;
- decide to change the legal form of the Foundation Fund to the Foundation, following the prior opinion of the Auditor;
- in cases provided by law, decide to cancel the Foundation Fund with liquidation or without liquidation;
- decide how to deal with the liquidation balance in the event of liquidation of the Endowment Fund;
- decide on other matters that he / she reserves for the decision and on all matters that do not fall within the competence of another body of the Foundation Fund, and on all matters entrusted to it by the law.

3. The Management Board shall have four members who may become legal persons and natural persons with a right to good faith. Members of the Board of Trustees are appointed by the Founders.

4. Membership in the Board of Trustees expires by:

- a) death,
- b) the extinction of the company,
- c) resignation of a member of the Board Trustees.

5. The members of the Board of Trustees elect from their members the Chairman. The Chairman convenes and manages the meetings of the Board of Trustees. The Chairman is obliged to convene a meeting of the Board of Trustees, if so required by an overwhelming majority of its members. The Board of Trustees shall meet as required, but at least every three months. A written report is kept on each meeting. The protocol is drawn up by an authorized member of the Board of Trustees and signed by the Chairman and all the present members of the Board of Trustees.

6. The decision of the Board of Trustees shall require the consent of a majority of its members. In the decision of the Board of Trustees, the voting rights of the members of the Board of Trustees are equal.

7. If the member of the Board of Trustees resigns, his / her office shall cease to expire two months after the submission of a declaration of resignation to the seat of the Foundation Fund.

ARTICLE IX.

THE HONORARY COMMITTEE, THE HONORARY PRESIDENTS AND THE SECRETARY DIRECTORS

1. Honorary Presidents and Honorary Directors form the Honorary Committee, which takes care of the purpose of establishing the Foundation Fund.

2. The Honorary Committee is informed about the Annual Report and is informed by the Auditor about the activities of the Foundation Fund.

3. The Honorary Committee is involved in the preparation of the Foundation's Action Plan for a period of three years and discusses this document.

4. The Honorary Committee has the right to propose changes in the Statute, to provide suggestions for the Foundation's activities and to comment the administration of the Foundation Fund.

5. The Honorary Committee shall meet at least once a year on the basis of an invitation from the Board of Trustees. The authorized member of the Board of Trustees conducts of the Honor Committee. Members of the Honor Committee are entitled to reimbursement for attendance at the honorable committee meetings and activities for the Honor Committee.

6. Members of the Board of Directors, Reviewers and Guests invited by the Board of Directors or Members of the Honorary Committee shall participate in the deliberations of the Honorary Committee.

ARTICLE X.

COMMITTEES

1. The Board of Trustees shall set up one or more committees, at its discretion and in accordance with the purpose of the endowment fund. The Board of Governors shall decide on the establishment of the Committee, its content, the name, its members and its chairman.

2. Membership of the Committee shall be voluntary and without any entitlement to a financial compensation.

3. The Committee shall discuss issues arising from its content and may propose supporting documents for the Foundation's Action Plan for a period of three years; Submit these documents to the Governing Board and the Honorable Committee for consideration.

4. The Committee meets as required. Its conduct is ensured by the Board of Trustees. The Assisting Member of the Board of Trustees of the Foundation Fund usually conducts the Committee's meeting. The Founders, the members of the Board of Trustees, the Auditor, members of the Honorary Committee and the guests invited by the Board of Trustees may participate in the deliberation of the Committee.

ARTICLE XI.

AUDITOR

1. The Auditor is the Supervisory Body of the Endowment Fund. The Auditor is appointed by the Founder of the Endowment Fund. The Auditor can resign to perform his / her duties; unless the Board of Trustees decides differently, the performance of the function shall terminate until the Auditor's duties have been fulfilled, which shall be related to the business year in which resigned

2. The Auditor may not be a member of any other body of the Endowment Fund.
3. The Auditor shall in particular:
 - a. Check the conditions set for the grant of Foundation contributions and the correctness of the Foundation Fund accounting;
 - b. Review the annual accounts and the annual report;
 - c. Check whether the Endowment Fund operates in accordance with the law, the Founding document and the Statute;
 - d. Draw the Board's attention to the deficiencies identified and make proposals for their elimination;
 - d. Report at least once a year to the Board of Trustees on the results of its audit work;
 - f. Express own opinion on the proposal of the Board of Trustees to change the legal form of the Foundation Fund.
4. The Auditor is also entitled to inspect the accounting books and all the documentation of the Foundation Fund and to check the data contained therein.
5. The Auditor is invited and authorized to participate in all meetings of the Board of Trustees, he must be given the floor if asks so and can comment on any point of the meeting, but has no right to vote.
6. The Auditor shall immediately inform the Board of Trustees about any findings related to the violation of the law, the Charter of the foundation, the Statute or any inefficient practices and other deficiencies in the activities of the Foundation Fund.
7. The Auditor shall inform the Board of Trustees about the timing and focus of the planned inspection at least 7 days in advance.

ARTICLE XII.

ACTING IN THE NAME AND ON BEHALF OF THE FOUNDATION FUND

1. Each member of the Board of Trustees may act independently on behalf of the Foundation Fund.
2. Signing on behalf of the Endowment Fund is accepted if a name of a member of the Board of Trustees is added to the name of the Foundation Fund.

ARTICLE XIII.

ACCOUNTING AND ANNUAL REPORT

1. The Endowment Fund shall keep its accounts in accordance with special regulations, assuming the Foundation's financial year being same as the calendar year and based on the financial statements.
2. The Foundation Fund shall prepare the Annual Report of the Foundation within a deadline to be set by the Board of Trustees, but not later than four months after the end of the assessed period, which is the calendar year. The Foundation shall, within 30 days of the approval of the annual report by the Board of Trustees, file this annual report with the Registry Court.
3. The annual report is publicly accessible at the Foundation's headquarters and on the Foundation's website.

ARTICLE XIV.

ASSET METHOT SETTLEMENT

1. Donations donated to the Endowment Fund shall not be refunded.
2. In case of the dissolution of the Endowment Fund with Liquidation, the Board of Trustees decides to load the liquidation balance.

ARTICLE XV.
FINAL PROVISIONS

1. All matters of the Endowment Fund which are not governed by this Statute shall be governed by the relevant provisions of the Charter and the provisions of Act No. 89/2012 Coll. and other legislation of the Czech Republic.
2. Any amendment or changes of this Statute may be made solely by means of a written amendment to this Statute, approved by the Board of Trustees. The Board of Trustees is obliged to prepare the full current version of the Statute and to acquaint itself with all the bodies of the Foundation Fund.
3. The Statute of the Foundation Fund is published on the Foundation's website.
4. The Statute was approved at the first meeting of the Board of Trustees on 28th March 2017. The Statute of the Foundation Fund is valid and effective since that date.

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