

BYLAWS OF THE PRIVATE INTERNATIONAL TREE NUT FOUNDATION

CHAPTER I INCORPORATION, ADDRESS AND SPHERE OF ACTIVITY

ARTICLE 1.- NAME, NATURE AND LEGAL PERSONALITY

The PRIVATE FOUNDATION hereby created as a non-profit-making organization governed by the legal provisions and regulations applicable to it, and in particular by these bylaws, adopts the following name:

“FUNDACION PRIVADA INTERNATIONAL TREE NUT”

The Foundation shall have legal personality from the date on which the public deed of its incorporation is entered in the Register of Foundations and its activities shall commence from that time.

In light of the possibility of carrying on activities in several foreign countries, in the areas where it is legally appropriate and feasible the aforesaid name shall be complemented with the translation of its terms into the appropriate language.

ARTICLE 2.- ADDRESS AND TERRITORIAL SPHERE OF ACTIVITY

The address of the Foundation is determined to be the premises of the Official Chamber of Commerce and Industry of Reus (Spain), calle Boule nº 2, though this may be changed if necessary with the approval of the Board of Trustees and according to the prevailing provisions of the law.

The territorial sphere of activity is mainly Catalonia, although its activities will be also undertaken in the rest of Spain and abroad.

CHAPTER II PURPOSES, ACTIVITIES AND BENEFICIARIES

ARTICLE 3.- PURPOSES

The purposes of the Foundation are as follows:

1. To be an international source of information on tree nuts, health, nutrition, food safety, government standards and government regulations regarding trade barriers and trade quality standards.

2. To undertake and promote scientific and technical studies on:
 - 2.1 The nutritional advantages for human health obtained from the consumption of tree nuts.
 - 2.2 The environmental, economic and social benefits of the production of tree nuts.
3. To promote international co-operation with several public or private national or international organizations that share common or complementary objectives to those of the Foundation.
4. To facilitate mutual understanding of the tree nut industry by promoting international meetings in producing and consuming countries.
5. To advise governments of producing and consuming countries – in light of the acknowledged health benefits of the consumption of tree nuts- on measures to be taken to promote the production and / or consumption and marketing of tree nuts.

All the above refers to almonds, Brazil nuts, cashews, hazelnuts, macadamia nuts, pecans, pine nuts, pistachios and walnuts, as well as any other nuts or fruits that the Board may agree on.

ARTICLE 4.- ACTIVITIES

The activities of the Foundation will be always carried out on a non-profit-making basis and they will basically consist of the preparation, sponsoring, financing and promotion of studies, and the subsequent diffusion thereof by means of publications and /or holding national and international seminars, courses and congresses on the aforementioned subjects.

ARTICLE 5.- BENEFICIARIES

The foundational purposes of the Foundation are addressed in general to the following groups of people, depending on how technical each specific action may be: the public and consumers in general; the competent government and authorities in matters of agriculture, science, consumption or health, both of tree nut-producing and consuming countries; professional nutrition experts; tree nut producing, distributing and marketing companies.

In determining the beneficiaries of the Foundation's work, the Board will act with criteria of impartiality and non-discrimination.

CHAPTER III
FOUNDATION BODIES

SECTION I: THE BOARD OF TRUSTEES

ARTICLE 6.- DEFINITION AND FUNCTIONS:

The Board of Trustees is the body governing and representing the Foundation, and its task is to carry out the foundational purposes and diligently administer the assets and rights forming part of the Foundation's net worth, maintaining the return thereon and usefulness thereof.

The functions of the Board are as follows:

1. To choose the members of the Executive Committee.
2. To examine and approve the audited annual accounts as drawn up by the Executive Committee.
3. To examine and approve the annual Report drawn up by the Executive Committee, which will include a statement of all the steps taken with different bodies, authorities and institutions, and the results thereof, as well as the activities carried out by the Foundation.
4. To approve the budget drawn up by the Executive Committee for the following financial year.
5. To appoint auditors where applicable.
6. To set up whatever Work Commissions or Committees it may consider appropriate.
7. To designate the venue for holding Congresses and Conventions.
8. To approve the internal regulations in order to ensure better development of the matters established in these bylaws.
9. The substitution and appointment of board members.
10. To resolve on the modification of bylaws.
11. To resolve on the purchase or disposal of any Foundation property.
12. To pass any other resolutions that are submitted to it by the Executive Committee, on account of their importance.
13. To authorize the Executive Committee to extend the purposes and activities of the Foundation to other nuts or fruits.

ARTICLE 7.- COMPOSITION AND APPOINTMENT

The Board shall comprise a minimum of 12 and a maximum of 24 members who will necessarily have to be members of the Board of Directors of the International Tree Nut Council. The Board shall pass its resolutions by majority in the terms established in these bylaws.

In any case, Board members shall resign from office when they cease to be members of the Board of Directors of the International Tree Nut Council.

In order to balance the appointment of the governing bodies of the Foundation and the different countries in which it can carry out activities, the starting point established is a division into three large regions: America (North, Central and South), Europe (West and East) and the Rest of the World (Africa, Asia and Australia).

Board members shall not receive remuneration for holding their posts, notwithstanding the right to be reimbursed for any duly justified expenses that the post may entail for them in the performance of their duty.

The members of the first board shall be appointed by the founders and shall be stated in the deed of incorporation.

The substitution of the members or the appointment of new members shall be effected by the Board duly registered in the corresponding Register and by the agreement of the majority of its members.

Board members shall accept their posts in the manner established in ruling legislation and their acceptance shall be formally made known to the Protectorate and registered in the Register of Foundations.

The appointment of the board members shall be for a term of two years, although may be re-elected for successive periods.

The dismissal of board members shall take place in accordance with legally established causes.

ARTICLE 8.- RIGHTS OF BOARD MEMBERS

The following are the rights of board members:

1. To attend and vote at Board meetings.
2. To elect and be elected members of the Foundation's governing bodies.
3. To submit in writing to the Executive Committee any complaints and suggestions in respect of the Foundation and its activities.
4. To participate in all the events organized by the Foundation.

5. To form part of the different Working Committees through which the Foundation will carry out its work.

ARTICLE 9.- DUTIES OF THE BOARD MEMBERS

The following are the duties of board members:

1. To perform their duties with all the diligence of a loyal representative.
2. To cooperate for the greater prestige of the Foundation and the better achievement of its purposes.
3. To comply with the regulatory resolutions passed by the Foundation through its different governing bodies.

ARTICLE 10.- MEETING, FORM OF DELIBERATION AND ADOPTION OF RESOLUTIONS

The Board shall meet at least once a year and whenever the Chairman so orders, either at his own initiative or when so requested by at least one third of its members, or when agreed by the Executive Committee. In any case, notice of the meeting, to which the agenda must be attached, shall be given by the Chairman in writing to each Board Member, at least fourteen days in advance, stating the place, date and time the meeting is to be held.

No prior notice need be given when all the board members are present and unanimously agree to hold the meeting.

Any proposals that the Executive Committee agrees to include and which are submitted to the Chairman by no less than fifteen per cent of the board members may be included on the Board's agenda. Such proposals shall be drawn up in writing, signed by the interested parties and shall be submitted to the Secretary of the Board at least two days prior to the date stated for holding the Board meeting.

In order for the resolutions passed by the Board to be valid, the favorable vote of the majority of those attending shall be required, provided that at least sixty per cent of the board members are present or represented.

The provisions of the previous paragraph notwithstanding, the favorable vote of two-thirds of the board members shall be required to pass resolutions concerning dissolution of the Foundation, modifications to the bylaws, appointment of the Executive Committee, disposal or alienation of assets, except for the ordinary equipment necessary for the Foundation's normal operations.

Each board member shall be entitled to one vote which may not be delegated due to the essentially personal character of the post of board member. However, when a board member holds a post on the Board, that member may be represented by the person designated by the regulations as his or her substitute, or by another person designated by the board member in writing. Two or more board members belonging to the same company or formally related companies will have one vote only.

ARTICLE 11.- DISTRIBUTION OF POSTS ON THE BOARD

The Board shall elect a Chairman and a Vice-Chairman from its members. It shall also elect a Secretary and Treasurer who shall not necessarily have to be members of the Board. Except those of the act of incorporation who shall be appointed by the founders.

The term of all these posts shall be two years, notwithstanding the possibility of being re-elected or being removed from office by the Board at any time.

ARTICLE 12.- THE CHAIRMAN

The Chairman shall:

1. Legally represent the Foundation before all kinds of authorities, courts, public and private institutions.
2. Call, chair and dismiss the meetings to be held by the Board and direct their deliberations.
3. Authorize the minutes of the Board meetings and ensure the execution of the resolutions passed.
4. Enter into and perform contracts on behalf of the Foundation, grant powers to third parties to act on the Foundation's behalf.
5. Order payments and authorize the Foundation's documents and correspondence.
6. Be a member of the Editorial Review & Statistics Committee of the magazine and of the Congress & Conventions Committee. He shall also be a member of any other Sub-committee at the decision of the Executive Committee.
7. Appoint the Chairmen of Sub-Committees, who must be ratified by the members of the Executive Committee.

ARTICLE 13.- THE VICE-CHAIRMAN

The Vice-Chairman shall:

1. Stand in for the Chairman in his/her absence, on grounds of illness or for any other reason, with the same powers.
2. Assist the Chairman in the performance of his/her work.

ARTICLE 14.- THE SECRETARY

The Secretary shall:

1. Direct the administration, certify the resolutions and process any documents that have to be entered in the corresponding Register.
2. Along with the Executive Director, prepare the Agenda and draw up the minutes of the Board meetings.
3. Prepare and plan the publication of the annual report of the Executive Committee, which shall contain a summary of the activities of the Foundation relating to the year in question.

In the event of the secretary not also being a Board member, he or she shall be allowed to speak but not vote on the decisions of the Board.

ARTICLE 15.- THE TREASURER

The Treasurer shall:

1. Keep the accounting records of the Foundation.
2. Prepare the annual accounts of the Foundation to be audited where applicable.
3. Along with the Executive Director, prepare the budget for approval by the Board.
4. Submit the accounting reports to the Executive Committee.

In the event of the treasurer not also being a Board member, he or she shall be allowed to speak but not vote on the decisions of the Board.

SECTION II: THE EXECUTIVE COMMITTEE

ARTICLE 16.- COMPOSITION

The Board may elect from its members and with the majorities established in article 10, an Executive Committee consisting of five members, which shall act on a collegiate basis and on which the Board may delegate all powers except those which by virtue of the law or these bylaws may not be delegated. The Executive Committee may be dissolved with the favorable vote of the Board, with the same majority as stated above.

The term of the post of member of the Executive Committee shall be two years, notwithstanding the possibility of re-election.

The Chairman and the Vice-Chairman shall necessarily have to form part of the Executive Committee along with three other members of the Board, in accordance with the division into regions stated in article 7. These persons shall have the same functions on the Committee as they hold on the Board. Nevertheless, if the Board were so to decide, up to five additional members may be added, in accordance with the division into regions stated in article 7 of these Bylaws. The Executive Director shall also form part of the Executive Committee, but without voting rights.

ARTICLE 17.- MEETING, PROCEDURE FOR DELIBERATION AND PASSING RESOLUTIONS

The Executive Committee may establish its own internal regulations for action and operation, always conforming to the Law and these bylaws.

The Executive Committee shall meet at least twice a year or when the Chairman so orders, either at his own initiative or when so requested by at least a third of its members. In any case, notice of the meeting, to which the agenda is to be attached, shall be given by the Chairman in writing to each member of the Executive Committee at least fourteen days in advance.

Attendance at meetings of the Executive Committee shall be obligatory, and in the event of this not being possible, the Chairman shall have to be informed.

Resolutions shall be valid provided that they have been passed by a majority of the members of the Executive Committee.

The Chairman's vote or that of the person carrying out his/her functions shall be casting and settle any ties.

All the resolutions shall be recorded in the corresponding minutes.

ARTICLE 18.- FUNCTIONS OF THE EXECUTIVE COMMITTEE

The Executive Committee shall have the following functions:

1. To set the date for holding the Board meetings.
2. To organize and undertake the Foundation's activities approved by the Board.
3. To prepare and submit the Budgets and annual accounts to the approval of the Board.
4. To regulate the economic system of the Foundation as well as its administrative organization.
5. To co-ordinate the work of the Working Committees set up by the Board, for which purpose it shall be empowered to require the presence of the Chairmen of these at the meetings held by the Executive Committee.
6. To ensure compliance of the Bylaws.
7. To carry out all the functions not expressly assigned to the Board and which are ordered or allowed by law.

SECTION III: THE PERMANENT SECRETARIAT

ARTICLE 19.- COMPOSITION AND FUNCTIONS

With the prior approval of the Board, the Chairman may appoint an Executive Director who will direct a permanent Secretariat consisting of the staff that the Chairman sees fit. Such staff members shall not necessarily have to be Board members and may be remunerated for their services.

The Executive Director, as chief executive of the Foundation, shall direct the permanent Secretariat and follow the instructions of the Executive Committee.

CHAPTER IV **ECONOMIC SYSTEM**

ARTICLE 20.- PRINCIPLES FOR ACTION

The Foundation undertakes to:

1. Effectively allocate the assets and the return thereon in accordance with ruling legislation and these bylaws, for their foundational purposes, on the understanding that at least 70 per cent of the profits from the economic projects undertaken and the income obtained for any other

concept, less the expenses incurred to obtain such income, should be applied for foundational purposes, within four years from the start of the financial year in which these sums were obtained, and the remainder is to be assigned to either the endowment or reserves, as agreed by the Board.

2. Give sufficient information about its purposes and activities so that these are known by their possible beneficiaries and other interested parties.
3. Act with impartiality and non-discrimination criteria in determining its beneficiaries.

ARTICLE 21.- FUNDS OF THE FOUNDATION

The funds of the Foundation are:

1. The initial endowment.
2. The funds obtained from return on its assets.
3. Any donations accepted by the Foundation, as well as any aid or subsidies granted by public or private national or international organizations, or from private persons.
4. Any other income obtained from the Foundation's activities for achieving its purposes.

ARTICLE 22.- ACCOUNTING, ANNUAL ACCOUNTS AND ACTION PLAN

The financial year shall coincide with the calendar year.

The Foundation shall keep properly organized accounts appropriate for its activity allowing chronological follow-up of the operations carried out. For this purpose it shall necessarily have to keep a Journal and an Inventory book and Annual Accounts and the other mandatory books determined by ruling legislation.

In its economic and financial management, the Foundation shall be governed by the general principles and criteria determined in ruling legislation.

The annual accounts shall be approved by the Board, within a maximum term of six months from the end of the financial year and shall be submitted to the Protectorate within thirty working days after their approval.

CHAPTER V **TERM AND DISSOLUTION**

ARTICLE 23.- TERM

The Foundation is established for an indefinite term and may only be dissolved by virtue of a resolution of the Board and in accordance with legally stipulated causes and formalities.

ARTICLE 24.- DISSOLUTION AND EXTINCTION

The Foundation will be extinguished as a result of the causes established in article 45 of the Foundations Act 5/2001 of May 2nd, and shall require the prior authorization of the Protectorate.

In the event of dissolution the executive committee or the board members designated by the Board at the meeting resolving on rhw dissolution shall act as Liquidating Commission, proceeding to settle the assets and liabilities, and the resulting surplus will be transferred to the private non-profit-making foundations or entities following similar aims of general interest provided that these entities are beneficiaries of patronage under the provisions of articles 16 to 25 of Act 49/2002 of December 23rd concerning the tax regime for non-profit-making entities and the tax incentives for patronage, as may be decided on by the Board.