

Working Non Certified Translation

To be set up as a notarial deed

Statute of the Foundation

IIASA Privatstiftung

as amended on 14 January 2016

THE IIASA FUND STATEMENT

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Introduction

(1) The International Institute for Applied Systems Analysis (referred to as “IIASA” or “Founder”) with its seat in Laxenburg near Vienna is as set out in the Charter of the International Institute for Applied Systems Analysis in its currently valid version an international organization, which enjoys privileges and immunities usually granted to international organizations in accordance with the Federal Government Decree of 17 July 1979 concerning the granting of privileges and immunities to the IIASA (Federal Gazette Number 441/1979).

(2) For the purpose of furthering its official purposes IIASA has set up with foundation statement of January 30th (January thirtieth) 2006 (two-thousand six) a private foundation (Privatstiftung) in accordance to the laws of Austria under the name “IIASA Endowment Privatstiftung”. By declaration in notary form of June 15th (June fifteenth) 2010 (two-thousand ten), the founder has substantially changed and redrafted the statutes of foundation.

(3) In accordance with section 22 of the governing version of the statutes of foundation, the founder has reserved the right to undertake modifications even after the foundation has been registered in the commercial register.

(4) The Council of IIASA as the governing body of IIASA internally decides on the exercise of the Founder's rights.

(5) The Director of IIASA as its representative body exercises the Founder's rights in representation of IIASA.

(6) The Founder, represented by the Director, and with permission by the Council of IIASA as its governing body, has exercised this right by notarial declaration from 14 January 2016 and hereby substantially altered and redrafted the statutes of foundation so that it will now read as follows:

Article 1

Name and Seat of the Foundation

(1) The Foundation bears the name

IIASA Fund.

(2) The seat of the Foundation is in Laxenburg, Austria.

(3) The seat of the Foundation may be moved to any location within the country and - insofar as that should become legally permissible - abroad.

Article 2
Endowment of Assets

(1) Upon founding, the foundation is endowed with cash assets in the amount of EUR 70.000 (Euro seventy thousand).

(2) Further endowments by the Founder and third parties are permissible, without it being required that a by-statute be set up. The Foundation is generally required to accept further endowments of assets, particularly insofar as such donations are without preconditions having encumbering effect for the Foundation and/or preconditions which are in contradiction with the principles of this Statute and the purpose of the Foundation.

Article 3
Purpose of the Foundation

(1) The purpose of the Foundation, which is not directed to the realization of profits, is the promotion of science and research in the area of applied system analysis. The type and method of the scientific and research activities which should be promoted have to correspond to the aims of IIASA set out in the Charter of the IIASA in its current version; this being achieved exclusively through administration (utilization, management and realization, including disbursement of substance of assets) of the assets endowed to the Foundation.

(2) The Foundation has an exclusively non-profit purpose to advance the public benefit by promoting science and research. By promoting the aims and the official purposes of IIASA the non-profit purpose is also promoted since IIASA pursues exclusively non-profit purposes by promoting the general public good in the area of science and research.

(3) The Foundation is permitted within the legal limitations to be commercially active, insofar as it is a mere subordinate activity.

(4) The purpose of the Foundation can only be fully achieved after further assets are endowed.

(5) Within the scope of the Foundation's purpose portions of the endowed assets may be dedicated to the fulfillment of particular obligations of the Foundation.

Article 4
Duration

(1) The Foundation is set up for an unlimited time period.

(2) The Foundation is to be dissolved in the event of the dissolution of IIASA as its Founder.

Article 5
Organs of the Foundation

(1) Organs of the Foundation are the Board of Trustees and the Auditor.

(2) In addition a Foundation Committee is to be established. Its members act in a consultative capacity. The Foundation Committee and its members are not organs as defined in Section 14 (fourteen) Private Foundation Act (Privatstiftungsgesetz- PSG).

(3) The Founder can appoint one or multiple Honorary Members of the Board of Trustees indefinitely or for a certain term of office. At any time and without giving reasons the Founder can recall an Honorary Member of the Board of Trustees. The Honorary Member is authorized to attend the meetings of the Board of Trustees, unless the chairman of the Board of Trustees decides otherwise for the respective meeting. Honorary Members are not members of the Board of Trustees and no organs as defined in Section 14 (fourteen) PSG.

Article 6
Board of Trustees

(1) The Board of Trustees has at least four and maximum seven members.

(2) The Board of Trustees elects upon its constitution from amongst its members a chairman and a deputy chairman of the Board of Trustees. The duration of office corresponds to the duration of office of the Board of Trustees.

(3) The nomination as member of the Board of Trustees by the organ designated in the Statute of the Foundation is for a period of three years. In cases of nomination by the court the period of office is maximum two years. Repeated nominations are permissible. Upon the nomination of the first Board of Trustees the term of office may deviate from the regulation set out in this paragraph so as to insure that the terms of office of the different members of the Board of Trustees do not end simultaneously.

(4) The nomination and recall of members of the Board of Trustees is a right of the Founder.

(5) If the number of members of the Board of Trustees has decreased below the minimum required by the Statute and if the Founder - for whatever reason - is in default with the nomination of required members of the Board of Trustees, such nomination right passes to the remaining members of the Board of Trustees as their personal right which is limited to the nomination of such number of members of the Board of Trustees as required to reach the minimum number required by the Statute. The nomination of the missing members of the Board of Trustees is effectuated by unanimous declaration of the remaining members of the Board of Trustees. Default of nomination of missing members of the Board of Trustees is assumed if the nomination is not effectuated within six months of the expiration of the regular period of office of the members of the Board of Trustees

whose position is to be filled.

(6) If all organs having a nomination right fail to exercise it timely (within the meaning of Paragraph five) then the court has subsidiary authority to nominate such number of members of the Board of Trustees as required to reach the minimum number required by the Statute. Every member of the Board of Trustees may and should provide the court with recommendations for the nomination.

(7) The simultaneous membership in organs of the IIASA is not a reason for exclusion from the nomination as member of the Board of Trustees of the Foundation. A simultaneous membership in more than one organ of the Foundation is not permissible.

(8) The membership on the Board of Trustees terminates without prior vote or declaration being necessary

- a) with expiration of the term of office;
- b) in case the member of the Board of Trustees is simultaneously Director of IIASA upon termination of the office of Director of IIASA;
- c) upon a Member of the Board of Trustees becoming incapable to fulfill the duties as member of the Board of Trustees;
- d) when a member of the Board of Trustees declares its demission, this being permissible without necessity to give a reason but with the obligation to observe a termination period of at least four weeks;
- e) upon the initiation of insolvency proceedings concerning the property of the member of the Board of Trustees.

(9) If good cause is presented a member of the Board of Trustees may be recalled by the remaining members of the Board of Trustees. The recall of the Member of the Board of Trustees requires a unanimous vote or declaration, whereby the member to be recalled has no voting right.

(10) If good cause as defined in Section 27 (twenty-seven) Paragraph two PSG is presented the Founder has a recall right.

(11) If good cause as defined in Section 27 (twenty-seven) Paragraph two PSG is presented any other member of the Board of Trustees or of the Council may apply to the court to pronounce the recall of a member of the Board of Trustees.

Article 7

Representation of the Foundation

(1) The Foundation is represented towards third parties by two members of the Board of Trustees jointly, whereby the chairman or the deputy chairman has to be one of the persons

representing.

(2) The Founder reserves the right to introduce - temporarily or permanently - different rules of representation, in particular to grant particular members of the Board of Trustees the right to individual representation.

(3) The Board of Trustees may set up a secretariat which serves it in preparing and executing its agenda. With the consent of the Director of IIASA, the Board may appoint one of IIASA staff members to be the Executive Secretary of the IIASA Fund. The Executive Secretary may be granted Power of Attorney to perform certain transactions of the ordinary administration of the Foundation.

Article 8

Management - Decision making by the Board of Trustees

(1) The Board of Trustees convenes in meetings for the performance of its duties.

(2) Given the type and extent of the activity of the Board of Trustees the convening of one meeting per year is considered sufficient. Regardless of that, the Board of Trustees has to convene a meeting whenever this is necessary.

(3) The convening of a meeting of the Board of Trustees is carried out by the chairman who has to observe an appropriate convocation period of minimum fourteen days. The chairman is obliged upon the request of any single member of the Board of Trustees to convene a meeting; if the chairman does not comply with such a request the demanding member of the Board of Trustees may convene the meeting itself, whereby the reasons for the convening have to be disclosed.

(4) Honorary Members of the Board of Trustees are to be invited to the meetings of the Board of Trustees. The chairman of the Board of Trustees can - without giving reasons - decide to not permit the attendance of the Honorary Members of the Board of Trustees; in this case the Honorary Members of the Board of Trustees are to be notified, that a meeting of the Board of Trustees will be held without them. In the case of invitation and attendance of Honorary Members of the Board of Trustees they do not have a right to vote or any advisory or hearing rights. In the meetings the members of the Board of Trustees are released from their functional obligation of secrecy towards the Honorary Members. In relation to third parties the Honorary Members are obliged to secrecy.

(5) Meetings of the Board of Trustees have sufficient quorum if they were duly convened and three quarters, but at least three members of the Board of Trustees are present. If a meeting has no quorum a new meeting of the Board of Trustees may be convened within a shorter convocation period of at least eight days the second meeting of the Board of Trustees has quorum as regards to the agenda of the first meeting if at least three members of the Board of Trustees are present.

(6) Votes by circular vote, including per facsimile are permissible if all members of the Board of Trustees consent to holding the vote by circulation.

(7) Votes of the Board of Trustees require a simple majority of the votes cast, unless a different requirement is set out in this Statute. In case of a stalemate the vote of the chairman prevails.

(8) Unanimous votes of the Board of Trustees are required for the execution of contracts between the Foundation and the Founder.

(9) If the management of the Foundation's assets requires a more intensive and regular activity the Board of Trustees may conclude agreements for such services required or hire employees. Such activity may also be done by a member of the Board of Trustees if the Founder makes a respective decision or the Board of Trustees passes a unanimous vote.

(10) More detailed rules concerning the activities of the Board of Trustees may be set out in the Modus Operandi of the Board of Trustees which is passed by the Board of Trustees.

(11) The preparation of meetings and of votes by circulation, including the drafting of the agenda, documentation and reports may be delegated by the Board of Trustees under its authority and subject to its approval to the Secretary.

Article 9

Principles for the use of the Assets of the Foundation

(1) The Board of Trustees is obliged to operate the Foundation in accordance to the principles of economical and purpose-oriented management with particular regard to thriftiness.

(2) The assets and proceeds of the Foundation should - unless such proceeds and substance are paid out to Beneficiaries - be invested and reinvested in accordance to the current and up-to-date experience and knowledge for a secure, growth-oriented investment strategy. A duly assessed amount may also be invested into substance assets such as real estate. The recognized principles of private banking are to be observed.

(3) The capital and assets of the Foundation and the proceeds may be paid out as benefits or reinvested in accordance with the decision of the Board of Trustees which requires the approval of the Founder (Budget), yet a minimum capital of EUR 70.000,-- has to remain in the foundation. It is also permissible to pledge monies for projects lasting for more than one year. In all cases the Board of Trustees has to insure that the benefits paid out are utilized in accordance with the Statute and the purpose of the Foundation.

(4) The Board of Trustees may issue Investment Guidelines and has to take care in particular that the investment policy does not contradict the aims of the Foundation.

(5) The Board of Trustees has to once annually produce a report on the investment of the assets of the Foundation and present it to the Founder. Upon release by the Founder the report is circulated by the Board of Trustees to the National Member Organizations of IIASA (NMO) and to the Donors.

Article 10

Remuneration

(1) The members of the Board of Trustees exercise their office on a voluntary basis. No remuneration is paid out to members of the Board of Trustees.

(2) The Foundation reimburses the members of the Board of Trustees for any out of pocket expenses they may incur in connection with their activity as members of the Board of Trustees in exchange for presenting a receipt; no additional approval or vote is needed.

Article 11

Accounting and Financial Year

(1) The Board of Trustees has to keep the books of the Foundation, to set up the balance within the legally required period and to elaborate on the fulfillment of the Foundation's purposes within the management report.

(2) The Board of Trustees has to take notice of the annual balance with a vote following the annual balance's audit.

(3) The financial years of the Foundation correspond to the calendar year.

Article 12

Auditor of the Foundation

(1) The Founder reserves the right to give recommendations to the court for the nomination of auditors and to determine the period of office of the auditor.

(2) If no different determination is set out by the Founder, the auditor is nominated for a period including the audit of five consecutive annual balance sheets. If during the period of office changes in the sphere of the auditor occur or other objective reasons are presented, then the nomination should be terminated prematurely and a respective application should be submitted to the court or the recall may be effectuated by a supervisory board if it is instituted.

(3) If a supervisory board is in place then the auditor is nominated by the supervisory board. Paragraph one is applicable by analogy.

(4) If it becomes legally permissible the auditor is nominated by the Founder or subsidiarily by the Board of Trustees.

Article 13
Foundation Committee

(1) As a platform for communication, public relations, networking and fundraising a Foundation Committee is to be established.

(2) The members of the Foundation Committee are appointed indefinitely by the Founder. The Founder is entitled to recall members of the Foundation Committee at any time and without giving reasons.

Article 14
Duties of the Foundation Committee

(1) The Foundation Committee and its members shall support the Board of Trustees in the areas of communication, public relations, networking and fundraising; this shall be realized especially by

- a) the development and discussion of concepts and strategies as well as single measures;
- b) in coordination with the Board of Trustees the planning of the implementation of concepts, strategies or measures;
- c) the support of the Board of Trustees in the implementation of concepts, strategies or measures;
- d) conducting talks, the setup and improvement of contacts as well as providing contacts to the Board of Trustees;
- e) acting as a contact point for potential donors and partners;
- f) the representation of the foundation in line and society.

(2) In its field of responsibility the Foundation Committee and its members act as a link to the Board of Trustees. Decisions are solely taken by the Board of Trustees and only the Board of Trustees is entitled to issue binding statements.

(3) The Foundation Committee is particularly entitled to:

- a) convene a meeting of the Board of Trustees, with the obligation to provide the agenda;
- b) pass applications to the Board of Trustees for scrutiny in the course of meetings of the Board of Trustees;
- c) to send a member to the meetings of the Board of Trustees, whereby such member has advisory function and has no right to vote;

(4) Towards the members of the Foundation Committee the members of the Board of Trustees are released from their functional obligation of secrecy. The members of the Foundation Committee are obliged to secrecy towards third parties.

Article 15

Internal Organization of the Foundation Committee

(1) The Foundation Committee internally elects a spokesperson and a deputy spokesperson.

(2) The period of office of the spokesperson and of the deputy spokesperson is two years respectively, but at most until the termination of their membership in the Foundation Committee.

(3) Repeated election is permissible.

(4) The spokesperson represents the Foundation Committee and its members towards the Board of Trustees.

(5) The Foundation Committee has to convene a meeting if and as often as it is required or useful.

(6) The spokesperson convenes the meetings of the Foundation Committee whereby an appropriate convocation period of minimum fourteen days is to be observed.

(7) The spokesperson is obliged to convene a meeting upon request of any member of the Foundation Committee; if the spokesperson of the Foundation Committee fails to follow such demand, then the demanding member of the Foundation Committee may convene the meeting, whereby the reasons are to be laid out.

(8) In the meetings of the Foundation Committee the members give account of any activities, ideas and the establishment of contacts in connection with their role as members of the Foundation Committee. All these matters are to be discussed, recorded in minutes and notified to the Board of Trustees. The Foundation Committee deliberates upon proposals of its members and discusses them; though it does not vote on them.

(9) If a member of the Foundation Committee deems it necessary to notify the Board of Trustees of developments before a meeting of the Foundation Committee can be held, this has to be communicated to the spokesperson who contacts and informs the Board of Trustees and also reports to the Foundation Committee on the issue in its next meeting. In urgent cases a member of the Foundation Committee may contact the Board of Trustees directly; the spokesperson is to be notified by the member of the Foundation Committee immediately and has to report on the issue in the next meeting.

(10) The activity of the Foundation Committee is voluntary. The members are only entitled to reimbursement of their out of pocket expenses connected to their activity in the Council.

Article 16
Benefits in general

(1) The Foundation furnishes benefits to persons and entities who are established as eligible recipients by the Foundation ("Beneficiaries").

(2) If the rules of the Statute do not permit sufficient identification of the Beneficiaries and contain no further rules concerning the establishment of the type and amount of the benefits, then the Board of Trustees is entitled to decide, however, the consent of the Founder is required for the establishment as a Beneficiary.

Article 17
Beneficiaries

(1) The position as Beneficiary only becomes effective upon the payment of a particular benefit. No rights may be deducted from the definition of being able to be a Beneficiary, also no contingent right exists.

(2) The rights of Beneficiaries are personal and may not be sold, encumbered or ceded. Any such disposition of a benefit is ineffective toward the Foundation.

(3) Prior to effective payment any benefits may be revoked by the Foundation.

Article 18
Establishment of the Beneficiaries

(1) The Beneficiaries are established by the Board of Trustees whose decision requires approval by the Founder.

(2) In particular the Founder and any successor organization are eligible to be established as Beneficiaries.

Article 19
Type and Amount of Benefits

The Founder reserves the right to stipulate guidelines for the type and amount of benefits in accordance with this Statute and its regulations concerning the use of the Foundation's assets.

Article 20
Final Beneficiary Clause

(1) The Board of Trustees has to establish as Final Beneficiary/ies IIASA or, if IIASA has been terminated simultaneously, the NMOs of IIASA each in accordance to the proportion of their contributions to IIASA at the time of its dissolution. The final benefits are to be given under the condition that they will be utilized for purposes consistent with the Foundation's purposes.

(2) If in accordance with Paragraph one a Final Beneficiary cannot be determined, the Board of Trustees decides under consideration of the intention of the Founder who shall be the Final Beneficiary.

Article 21

By-statutes of the Foundation

- (1) The right to set up by-statutes is not reserved.
- (2) The setting up of by-statutes is, therefore, not permissible.

Article 22

Amendment of the Statute

The Founder reserves the right to amend the Statute of the Foundation prior an after registration of the Foundation.

Article 23

Dissolution

(1) If circumstances which were particular motives for setting up the Foundation change permanently in a way that the purpose of the Foundation upon taking the interests of Beneficiaries and Final Beneficiaries into account cannot be achieved in an economically meaningful way, then the Board of Trustees can - with the consent of the Foundation Committee - dissolve the Foundation.

(2) Particularly, reasons for the Dissolution are changes of legal provisions or the revocation of privileges and immunities or the introduction more stringent tax laws which disadvantage the Foundation.

Article 24

Renunciation of Founder's Rights

The Founder may at any time renounce any rights held on the basis of the Statute or legal provisions.

Article 25

General Provisions

(1) Should any provision of the Statute, for whatever reason, be or become nil, ineffective or unenforceable, the validity and legal effectivity of the remaining provisions of the Statute remain unaffected. The nil, ineffective or unenforceable provision is to be amended so as to be valid and enforceable and which upon application of good faith corresponds most closely with the recognizable intention of the Founder.

(2) Upon whatever applications to the court the intentions and the wish of the Founder upon foundation should be considered.

(3) On the basis of the Federal Government Decree of 17 July 1979 concerning the granting

of privileges and immunities to the IIASA (Federal Gazette Number 441/1979) the Foundation enjoys freedom of taxes upon transfer of assets from the Founder to the Foundation.

Article 26

Power of Attorney

The Founder empowers and grants power of attorney to Doctor Robin Lumsden, Attorney at Law in 1050 Vienna, Wiedner Hauptstrasse 120/5.1., to execute changes and adjustment to the Statute as amended on 14 January 2016 in as far as that is necessary for the registration of the amended Statute in the commercial register and/or is demanded by the court. The Power of Attorney expires upon registration of the Statute as amended on 14 January 2016 in the commercial register.

Laxenburg, 14 January 2016

International Institute for Applied Systems Analysis