

## Verdala International School - Statute Review

### ORIGINAL WORDING

#### Verdala International School Foundation Statute

Established on 4th March 1985

Amended on 6<sup>th</sup> February 2013 and 2022

#### 1. Name and Nature

i. The name of the Foundation shall be 'Verdala International School Foundation' (hereinafter referred to as the "Foundation").

ii. The Foundation is a public benefit, social purpose and non-profit making foundation regulated by the Second Schedule of the Civil Code, Chapter 16 of the Laws of Malta and set up for the fulfillment of its objectives and purposes.

iii. The Foundation shall be a legal entity having a distinct legal personality from that of its founders and Directors and shall be capable, subject to the provisions of this Statute, of entering into contracts, of employing personnel, of acquiring, holding and disposing of any kind of property for the purposes of its functions and operations, of suing and being sued, and of doing all such things and entering into such transactions as are incidental or conducive to the exercise or performance of its functions under this Statute. The patrimony, namely the assets and liabilities, of the Foundation shall be kept distinct from that of the founders and Directors.

#### 2. Scope and Purposes

i. The scope and purposes of the Foundation shall be:

(a) to establish, maintain, carry on and support an ~~American~~ international school hereinafter referred to as the "School", for the education of children ~~of any sex, nationality, creed or race~~ and in particular, dependents of the staff of the diplomatic missions in Malta and dependents of other international parents ~~for whom the Anglo-American model of education is best suited~~.

(b) to promote mutual understanding among peoples of different nationalities.

(c) to provide an alternative educational opportunity for students of Maltese nationality.

(d) to provide financial assistance for a limited number of children, who might otherwise be unable to attend the School.

(e) to do all such other things and undertake or carry on any activities that may be incidental, ancillary, related to, or connected with any of the above objects as the Foundation may in its absolute discretion deem appropriate, necessary, convenient or expedient to undertake, embark upon, engage in or carry on.

ii. The powers and functions of the Foundation shall include the following:

(a) manage and administer the constitutive assets and the other assets endowed to or otherwise acquired by the Foundation as well as any income made from such assets;

(b) to acquire, take on lease, lease out, exchange and dispose of, by any title valid at law, movable or immovable property, and any rights, privileges, hypothecs and easements over such immovable or movable property, as may be determined by the Board of Directors and to hold the property so acquired;

(c) to invest, lease, hire, grant by way of emphyteutical concession or in any other manner employ, improve, manage or develop, any of its assets as it may from time to time be determined;

(d) to invest or hold, but not to deal in, shares in any other foundation, partnership, company, entity or business, or to passively participate in the management or activities thereof;

(e) to enter into any contract, public deed or agreement whatsoever, or make any arrangement, in the attainment of the Foundation's objectives and purposes, with any government department or other authority, corporation, company or person;

(f) to accept and receive grants, subsidies, contribution, donations, funds, additional endowments or other property, movable or immovable, from governments, international organisations, foundations, banks, individuals or any other source;

(g) to borrow, raise funds, and encourage bequests, contributions, donations, additional endowments and other gifts of any kind for the purpose of, or in connection with, the Foundation's objectives and purposes and secure the repayment of the money borrowed by hypothecation or other charge upon the whole or part of the movable and immovable assets or property of the Foundation present and future;

(h) to obtain loans, overdrafts, credits and other financial and monetary facilities, and to otherwise borrow and raise money in such manner as the Board of Directors may deem fit, and to secure the repayment of any money borrowed, raised or owing by the privilege, hypothec or by any such security over the property of the Foundation both present and future;

(i) to employ any person or persons to supervise, organize and carry out work for the Foundation, and this, in the manner permitted by applicable law;

(j) to liaise, contract and cooperate with other foundations, trusts, and/or organisations, both national and international, which promote similar purposes to the Foundation, or which promote social purposes and are non-profit making, in order to further the objectives and purposes of the Foundation;

(k) to carry on any other activity or activities whatsoever, within the objectives and purposes of the Foundation and which may, directly or indirectly, enhance the value of any of the Foundation's property rights or utilise skills and knowledge available to the Foundation; and

(l) to do all such other things which are incidental or conducive to the attainment of the above objectives or of any of them;

Provided that it is clearly understood that the Foundation shall not trade or carry out commercial activities except as allowed in the applicable law.

#### 3. Address

The address of the Foundation shall be at Fort Pembroke, Pembroke PBK1641, Malta, or, in the event that the School is relocated, at any address which the Board of Directors shall determine from time to time.

#### 4. Organs

The Foundation shall have two main organs. These shall be the General Meeting (composed of the Community of the Foundation) and the Board of Directors (composed of Directors).

#### 5. Community

i. The Community of the Foundation shall consist of such individuals, ~~as corporations, companies and bodies of persons (hereinafter referred to as "corporations")~~ who shall be accepted as members of the Community by the Board of Directors under any such conditions which the Directors deem fit to impose, and who shall pay to the Foundation such fees, dues, or other sums of whatever nature as suggested by the Board of Directors and approved by the General Meeting (the "Community").

ii. The fully paid-up parent(s) of children enrolled in the School shall hold one (1) membership in the Community ("Parent Members").

iii. All current employees of the Foundation shall be members of the Community ("Employee Members").

iv. Membership in the Community shall cease on terms as pre-established by the Board of Directors, on dissolution of the Foundation, or on the occurrence of such event agreed upon in any particular case between the member and the Board of Directors.

#### 6. General Meeting

i. A General Meeting of the Community of the Foundation shall be convened:-

(a) by the Board of Directors once every year, as the Annual General Meeting, or,

(b) at any time within twenty-one (21) days from the written request of at least twenty five percent (25%) of the current members of the Community, as an Extraordinary General Meeting, or,

(c) at any time by the Board of Directors where urgent and important matters are required to be resolved by the Members of the Community (the deferment of which would be detrimental to the running of the School), as an Extraordinary General Meeting.

ii. At any General Meeting of the Community:

(a) Each parent membership in the Community shall have one vote (1) per child currently enrolled in the School.

(b) Each non-parent, Employee Member in the Community shall have one (1) vote provided that where a member is both a Parent Member (being a parent of a child enrolled in the School) and also an Employee Member (being an employee of the Foundation), then such member shall have one (1) vote per child currently enrolled in the School.

Provided that with respect to any votes called for the election of the Board of Directors:-

i. Any Parent Member, excluding employees of the Foundation, may be a candidate for the board of directors under the Parent category in accordance with article 9(v)(d) ("Parent Candidate").

ii. Any Employee Member, including those who have children currently enrolled at the School, may be a candidate for the board of directors under the Employee category in accordance with article 9(v)(e) ("Employee Candidate").

iii. Each Parent Membership shall have one (1) voting document (for the election of Parent Candidates) per child currently enrolled in the School, and each voting document will allow for selecting one Parent Candidate per vacant Parent board member position.

iv. Each Employee Member shall have one (1) voting document (for the election of Employee Candidates) allowing for selecting one Employee Candidate per vacant Employee board member position.

v. Where a member of the Community is both an Employee Member and a Parent Member, such Member may vote for both Employee Candidates and Parent Candidates.

~~(i). Corporation membership in the Community shall have no number of votes agreed upon by the member and the Board of Directors upon acceptance of such member into the Community.~~

### PROPOSED WORDING

#### Verdala International School Foundation Statute

Established on 4th March 1985

Amended on 6<sup>th</sup> February 2013, 2022  
and on 2023

#### 1. Name and Nature

i. The name of the Foundation shall be 'Verdala International School Foundation' (hereinafter referred to as the "Foundation").

ii. The Foundation is a public benefit, social purpose and non-profit making foundation regulated by the Second Schedule of the Civil Code, Chapter 16 of the Laws of Malta and set up for the fulfillment of its objectives and purposes.

iii. The Foundation shall be a legal entity having a distinct legal personality from that of its founders and Directors and shall be capable, subject to the provisions of this Statute, of entering into contracts, of employing personnel, of acquiring, holding and disposing of any kind of property for the purposes of its functions and operations, of suing and being sued, and of doing all such things and entering into such transactions as are incidental or conducive to the exercise or performance of its functions under this Statute. The patrimony, namely the assets and liabilities, of the Foundation shall be kept distinct from that of the founders and Directors.

#### 2. Scope and Purposes

i. The scope and purposes of the Foundation shall be:

(a) to establish, maintain, carry on and support an ~~English-speaking~~ international school, hereinafter referred to as the "School", for the education of children ~~regardless of their ancestry, culture, ethnicity, sex, physical or intellectual ability, race, religion, gender identity, sexual orientation, socio-economic status, or other factors~~ and in particular, ~~children of the staff of diplomatic missions in Malta and of other international parents.~~

(b) to promote mutual understanding among peoples of different nationalities.

(c) to provide an alternative educational opportunity for students of Maltese nationality.

(d) to provide financial assistance for a limited number of children, who might otherwise be unable to attend the School.

(e) to do all such other things and undertake or carry on any activities that may be incidental, ancillary, related to, or connected with any of the above objects as the Foundation may in its absolute discretion deem appropriate, necessary, convenient or expedient to undertake, embark upon, engage in or carry on.

ii. The powers and functions of the Foundation shall include the following:

(a) manage and administer the constitutive assets and the other assets endowed to or otherwise acquired by the Foundation as well as any income made from such assets;

(b) to acquire, take on lease, lease out, exchange and dispose of, by any title valid at law, movable or immovable property, and any rights, privileges, hypothecs and easements over such immovable or movable property, as may be determined by the Board of Directors and to hold the property so acquired;

(c) to invest, lease, hire, grant by way of emphyteutical concession or in any other manner employ, improve, manage or develop, any of its assets as it may from time to time be determined;

(d) to invest or hold, but not to deal in, shares in any other foundation, partnership, company, entity or business, or to passively participate in the management or activities thereof;

(e) to enter into any contract, public deed or agreement whatsoever, or make any arrangement, in the attainment of the Foundation's objectives and purposes, with any government department or other authority, corporation, company or person;

(f) to accept and receive grants, subsidies, contribution, donations, funds, additional endowments or other property, movable or immovable, from governments, international organisations, foundations, banks, individuals or any other source;

(g) to borrow, raise funds, and encourage bequests, contributions, donations, additional endowments and other gifts of any kind for the purpose of, or in connection with, the Foundation's objectives and purposes and secure the repayment of the money borrowed by hypothecation or other charge upon the whole or part of the movable and immovable assets or property of the Foundation present and future;

(h) to obtain loans, overdrafts, credits and other financial and monetary facilities, and to otherwise borrow and raise money in such manner as the Board of Directors may deem fit, and to secure the repayment of any money borrowed, raised or owing by the privilege, hypothec or by any such security over the property of the Foundation both present and future;

(i) to employ any person or persons to supervise, organize and carry out work for the Foundation, and this, in the manner permitted by applicable law;

(j) to liaise, contract and cooperate with other foundations, trusts, and/or organisations, both national and international, which promote similar purposes to the Foundation, or which promote social purposes and are non-profit making, in order to further the objectives and purposes of the Foundation;

(k) to carry on any other activity or activities whatsoever, within the objectives and purposes of the Foundation and which may, directly or indirectly, enhance the value of any of the Foundation's property rights or utilise skills and knowledge available to the Foundation; and

(l) to do all such other things which are incidental or conducive to the attainment of the above objectives or of any of them;

Provided that it is clearly understood that the Foundation shall not trade or carry out commercial activities except as allowed in the applicable law.

#### 3. Address

The address of the Foundation shall be at Fort Pembroke, Pembroke PBK1641, Malta, or, in the event that the School is relocated, at any address which the Board of Directors shall determine from time to time.

#### 4. Organs

The Foundation shall have two main organs. These shall be the General Meeting (composed of the Community of the Foundation) and the Board of Directors (composed of Directors).

#### 5. Community

i. The Community of the Foundation shall consist of such individuals who shall be accepted, as members of the Community by the Board of Directors under any such conditions which the Directors deem fit to impose, and who shall pay to the Foundation such fees, dues, or other sums of whatever nature as suggested by the Board of Directors and approved by the General Meeting (the "Community").

ii. The fully paid-up parent(s) of children enrolled in the School shall hold one (1) membership in the Community ("Parent Members").

iii. All current employees of the Foundation shall be members of the Community ("Employee Members").

iv. Membership in the Community shall cease on terms as pre-established by the Board of Directors, on dissolution of the Foundation, or on the occurrence of such event agreed upon in any particular case between the member and the Board of Directors.

#### 6. General Meeting

i. A General Meeting of the Community of the Foundation shall be convened:-

(a) by the Board of Directors once every year, as the Annual General Meeting, or,

(b) at any time within twenty-one (21) days from the written request of at least twenty five percent (25%) of the current members of the Community, as an Extraordinary General Meeting, or,

(c) at any time by the Board of Directors where urgent and important matters are required to be resolved by the Members of the Community (the deferment of which would be detrimental to the running of the School), as an Extraordinary General Meeting.

ii. At any General Meeting of the Community:

(a) Each parent membership in the Community shall have one vote (1) per child currently enrolled in the School.

(b) Each non-parent, Employee Member in the Community shall have one (1) vote provided that where a member is both a Parent Member (being a parent of a child enrolled in the School) and also an Employee Member (being an employee of the Foundation), then such member shall have one (1) vote per child currently enrolled in the School.

Provided that with respect to any votes called for the election of the Board of Directors:-

i. Any Parent Member, excluding employees of the Foundation, may be a candidate for the board of directors under the Parent category in accordance with article 9(v)(d) ("Parent Candidate").

ii. Any Employee Member, including those who have children currently enrolled at the School, may be a candidate for the board of directors under the Employee category in accordance with article 9(v)(e) ("Employee Candidate").

iii. Each Parent Membership shall have one (1) voting document (for the election of Parent Candidates) per child currently enrolled in the School, and each voting document will allow for selecting one Parent Candidate per vacant Parent board member position.

iv. Each Employee Member shall have one (1) voting document (for the election of Employee Candidates) allowing for selecting one Employee Candidate per vacant Employee board member position.

v. Where a member of the Community is both an Employee Member and a Parent Member, such Member may vote for both Employee Candidates and Parent Candidates.

### LEGAL COMMENTS

## Verdala International School - Statute Review

### ORIGINAL WORDING

iii. Resolutions proposed at any General Meeting shall be considered adopted if approved by a simple majority of the members of the Community present and voting.

iv. Members of the Community are only permitted to vote in person and are not permitted to vote by means of a proxy. All members of the Community shall be given an opportunity to cast their vote(s) using an electronic voting system that shall remain open for a period of at least twenty-four (24) hours prior to the General Meeting. For the purposes of this Statute, "present and voting" means any Member that has a right to vote during a General Meeting that is either present in person during a General Meeting whether held physically or by other electronic means, or that otherwise casts their vote(s) using the electronic voting system.

v. Meetings of the Community shall be chaired by the Chairperson of the Board of Directors or, in their absence, by any person chosen by the members of the Board of Directors who are present. The Chairperson shall not have a second or casting vote.

vi. Notice of each General Meeting shall be given to all members of the Community by electronic transmission. Notice shall be deemed to be effected if the transmission is sent at least fourteen (14) days before the date of the meeting. The notice shall specify the place (or electronic medium), the day and the hour of meeting, the general nature of that meeting, and the proposed text of the resolutions intended to be taken and the principal purposes thereof. The notice shall be accompanied with all information required for the Members to cast their vote(s) using an electronic voting system that shall remain open for a period of at least twenty-four (24) hours prior to the General Meeting.

vii. The quorum for the holding of any General Meeting shall be twenty percent (20%) of all the members of the Community. However, after a delay of thirty (30) minutes from the appointed time, the General Meeting can proceed and conclude business notwithstanding the number of members present.

viii. A resolution of the members of the Community, may be taken by means of a conference telephone (or by means of any other communication equipment) which allows all persons participating to hear each of the others at all material times. Any decision so arrived at will be deemed a decision of a meeting of the members and all of the provisions of this article relating to meetings of the members will apply, mutatis mutandis. A member participating in such a decision will be deemed to be present in person and will be entitled to vote or be counted in a quorum accordingly.

### 7. Powers of the General Meeting

The members of the Community shall collectively in General Meeting exercise the following rights and powers:

- Election of Community members to the Board of Directors.
- Appointment of an auditor to audit the accounts of the Foundation.
- Consideration of recommendations submitted by the Board of Directors and by the Auditor.
- Modification of the Statute of the Foundation in accordance with the provisions of the Statute.
- Representation of the interests of the Community members to the Board of Directors.
- Regulation of its proceedings, subject to what is stated in the Statute.
- Termination of Foundation.

### 8. Amendments to the Statute

i. Motions which propose to make substantive amendments to articles 4 (Organs), 6(i)(a) and (b) (General Meeting), 9(i)(i) (Board of Directors) and 9(vi) (a) and (b) (Board of Directors) the "Ring Fenced Provisions" of this Statute shall be deemed to be validly approved by the General Meeting if supported by not less than seventy-five percent (75%) of the votes of all the members of the Community whether present and voting or not.

ii. Motions which propose to amend any provisions (including non-substantive amendments to the Ring-Fenced Provisions) of this Statute shall be deemed to be validly approved by the General Meeting if supported by not less than seventy-five percent (75%) of the votes of the members of the Community present and voting.

iii. The provisions of article 14 (Duration and Termination) may not be amended unless such amendment is consented to by the Government of Malta.

iv. Except where changes are necessitated by law, a regulatory authority and/or a bank and/or where changes are required urgently for the School to be able to operate effectively, prior to being proposed at a General Meeting, draft amendments will be submitted to all members of the Community for an indicative survey. For the purposes of this article 8, 'substantive amendments' mean amendments that change the intent, spirit and/or rationale of one or more of the Ring Fenced Provisions.

### 9. Board of Directors

i. With respect to the Board of Directors:-

(a) The Board of Directors shall be responsible to set the policy of the Foundation, and for the conduct, management and administration of the affairs and business of the Foundation. The Board shall, in consultation with the Head of School, regulate matters of an academic nature relative to the School including the hiring of staff and budget for the Foundation's financial requirements.

(b) The Board of Directors shall exercise all such functions and powers of the Foundation as are not by the Statute required to be exercised by the members of the Community in General Meeting, provided that no resolution of the members in General Meeting shall invalidate any prior act or decision of the Board of Directors which would have been valid if that resolution of the General Meeting had not been passed.

(c) Enter into financial contracts on behalf of the Foundation for the specific purpose of engaging staff or funding capital works.

ii. The Board of Directors is authorized to delegate all or any of its powers to third parties, provided this is in writing and revocable.

iii. The Board of Directors shall be answerable to the General Meeting.

iv. The Board of Directors shall submit at each Annual General Meeting for consideration of the members of the Community:

- a report of the Chairperson with respect to the affairs of the Foundation.
- a financial report accompanied by a copy of the audited accounts of the Foundation. Such accounts shall be open to inspection at the office of the Foundation by any member of the Community for a least 10 days immediately preceding the meeting and until approved by the General Meeting.

v. The Board of Directors is authorized to appoint from amongst themselves, officers as required to assist in running the Foundation.

vi. The Board of directors shall be composed of persons who shall be **nominated** as follows:

- One Director shall be **nominated** by the Government of Malta.
- One Director shall be **nominated** by the Government of the United States of America.

(e) One Director shall be **collectively nominated** by any such corporate companies who sponsor or provide funds to the Foundation and who are members of the Community if any according to the votes that they hold.

(d) Three Directors shall be elected from the Community's constituency of Parent Members in accordance with the proviso to article 6(i)(i).

(e) Two Directors shall be elected from the Community's constituency of Employee Members in accordance with the proviso to article 6(ii).

viii. The members of the Community shall, upon recommendation of the Board of Directors, by means of a resolution consented to and approved by a simple majority of the votes of the members of the Community, be entitled to increase the number of Directors and determine the method of appointment or nomination of such Directors. If the members of the Community, however, do not determine the method of appointment or nomination of such Directors, then such Directors shall be appointed by the Board of Directors.

ix. The Directors shall be **nominated** by not later than the 31st March of any particular year, and **bearing unforeseen circumstances, shall hold office for one year.**

x. The Board of Directors shall have the right to co-opt other Directors, with nonvoting powers, for specific purposes and periods as may be required from time to time. The Board of Directors shall have the right to fill any vacancy that may occur for any reason whatsoever. Such appointed Director shall have all the rights of a Director.

xi. The Board of Directors shall continue to function and exercise its powers, notwithstanding any vacancy in its membership.

xii. The Board of Directors shall serve as the board of administrators in terms of the Second Schedule of the Civil Code, Chapter 16 of the Laws of Malta. The directors shall be identified in a schedule annexed to this Statute.

### 10. Board of Directors Meeting

### PROPOSED WORDING

iii. Resolutions proposed at any General Meeting shall be considered adopted if approved by a simple majority of the members of the Community present and voting.

iv. Members of the Community are only permitted to vote in person and are not permitted to vote by means of a proxy. All members of the Community shall be given an opportunity to cast their vote(s) using an electronic voting system that shall remain open for a period of at least twenty-four (24) hours prior to the General Meeting. For the purposes of this Statute, "present and voting" means any Member that has a right to vote during a General Meeting that is either present in person during a General Meeting whether held physically or by other electronic means, or that otherwise casts their vote(s) using the electronic voting system.

v. Meetings of the Community shall be chaired by the Chairperson of the Board of Directors or, in their absence, by any person chosen by the members of the Board of Directors who are present. The Chairperson shall not have a second or casting vote.

vi. Notice of each General Meeting shall be given to all members of the Community by electronic transmission. Notice shall be deemed to be effected if the transmission is sent at least fourteen (14) days before the date of the meeting. The notice shall specify the place (or electronic medium), the day and the hour of meeting, the general nature of that meeting, and the proposed text of the resolutions intended to be taken and the principal purposes thereof. The notice shall be accompanied with all information required for the Members to cast their vote(s) using an electronic voting system that shall remain open for a period of at least twenty-four (24) hours prior to the General Meeting.

vii. The quorum for the holding of any General Meeting shall be twenty percent (20%) of all the members of the Community. However, after a delay of thirty (30) minutes from the appointed time, the General Meeting can proceed and conclude business notwithstanding the number of members present.

viii. A resolution of the members of the Community, may be taken by means of a conference telephone (or by means of any other communication equipment) which allows all persons participating to hear each of the others at all material times. Any decision so arrived at will be deemed a decision of a meeting of the members and all of the provisions of this article relating to meetings of the members will apply, mutatis mutandis. A member participating in such a decision will be deemed to be present in person and will be entitled to vote or be counted in a quorum accordingly.

### 7. Powers of the General Meeting

The members of the Community shall collectively in General Meeting exercise the following rights and powers:

- Election of Community members to the Board of Directors.
- Appointment of an auditor to audit the accounts of the Foundation.
- Consideration of recommendations submitted by the Board of Directors and by the Auditor.
- Modification of the Statute of the Foundation in accordance with the provisions of the Statute.
- Representation of the interests of the Community members to the Board of Directors.
- Regulation of its proceedings, subject to what is stated in the Statute.
- Termination of Foundation.

### 8. Amendments to the Statute

i. Motions which propose to make substantive amendments to articles 4 (Organs), 6(i)(a) and (b) (General Meeting), 9(i)(i) (Board of Directors) and 9(vi) (a) and (b) (Board of Directors) the "Ring Fenced Provisions" of this Statute shall be deemed to be validly approved by the General Meeting if supported by not less than seventy-five percent (75%) of the votes of all the members of the Community whether present and voting or not.

ii. Motions which propose to amend any provisions (including non-substantive amendments to the Ring-Fenced Provisions) of this Statute shall be deemed to be validly approved by the General Meeting if supported by not less than seventy-five percent (75%) of the votes of the members of the Community present and voting.

iii. The provisions of article 14 (Duration and Termination) may not be amended unless such amendment is consented to by the Government of Malta.

iv. Except where changes are necessitated by law, a regulatory authority and/or a bank and/or where changes are required urgently for the School to be able to operate effectively, prior to being proposed at a General Meeting, draft amendments will be submitted to all members of the Community for an indicative survey. For the purposes of this article 8, 'substantive amendments' mean amendments that change the intent, spirit and/or rationale of one or more of the Ring Fenced Provisions.

### 9. Board of Directors

i. With respect to the Board of Directors:-

(a) The Board of Directors shall be responsible to set the policy of the Foundation, and for the conduct, management and administration of the affairs and business of the Foundation. The Board shall, in consultation with the Head of School, regulate matters of an academic nature relative to the School including the hiring of staff and budget for the Foundation's financial requirements.

(b) The Board of Directors shall exercise all such functions and powers of the Foundation as are not by the Statute required to be exercised by the members of the Community in General Meeting, provided that no resolution of the members in General Meeting shall invalidate any prior act or decision of the Board of Directors which would have been valid if that resolution of the General Meeting had not been passed.

(c) Enter into financial contracts on behalf of the Foundation for the specific purpose of engaging staff or funding capital works.

ii. The Board of Directors is authorized to delegate all or any of its powers to third parties, provided this is in writing and revocable.

iii. The Board of Directors shall be answerable to the General Meeting.

iv. The Board of Directors shall submit at each Annual General Meeting for consideration of the members of the Community:

- a report of the Chairperson with respect to the affairs of the Foundation.
- a financial report accompanied by a copy of the audited accounts of the Foundation. Such accounts shall be open to inspection at the office of the Foundation by any member of the Community for a least 10 days immediately preceding the meeting and until approved by the General Meeting.

v. The Board of Directors is authorized to appoint from amongst themselves, officers as required to assist in running the Foundation.

vi. The Board of directors shall be composed of **not less than seven (7) and not more than fourteen (14) persons** who shall be **appointed** as follows:

- One Director shall be **appointed** by the Government of Malta.
- One Director shall be **appointed** by the Government of the United States of America.

(c) Three Directors shall be elected from the Community's constituency of Parent Members in accordance with the proviso to article 6(i)(i).

(d) Two Directors shall be elected from the Community's constituency of Employee Members in accordance with the proviso to article 6(ii).

**(e) A maximum of Seven Directors may be co-opted in accordance with clause 9 (x).**

viii. The members of the Community shall, upon recommendation of the Board of Directors, by means of a resolution consented to and approved by a simple majority of the votes of the members of the Community, be entitled to increase the number of Directors and determine the method of appointment or nomination of such Directors. If the members of the Community, however, do not determine the method of appointment or nomination of such Directors, then such Directors shall be appointed by the Board of Directors.

ix. **With respect to elected Directors, the Directors shall be elected by not later than the 31st March of any particular year, and shall hold office for a term of two (2) years.**

x. The Board of Directors shall have the right to co-opt other Directors, with nonvoting powers, for specific purposes and periods as may be required from time to time **provided that such co-opted director's appointment shall be limited in time until the next annual general meeting.**

**xi. The Board of Directors shall have the right to fill any vacancy that may occur for any reason whatsoever. Such appointed Director shall have all the rights of a Director and shall hold office for the remainder of the two (2) year term of the retiring Director.**

xii. The Board of Directors shall continue to function and exercise its powers, notwithstanding any vacancy in its membership.

xiii. The Board of Directors shall serve as the board of administrators in terms of the Second Schedule of the Civil Code, Chapter 16 of the Laws of Malta. The directors shall be identified in a schedule annexed to this Statute.

### 10. Board of Directors Meeting

### LEGAL COMMENTS

I would suggest the introduction of a minimum number of 7 directors and a maximum number of directors as this will be requested by the Registry

I have included a maximum of 14 directors (and therefore a maximum of 7 co-opted directors) purely by way of example and this can be less

Clause x was divided into 2 clauses, clause x and xi

**Verdala International School - Statute Review**

**ORIGINAL WORDING**

- i. The Board of Directors shall make regulations for its meetings and the conduct of its business.
- ii. The Chairperson shall be appointed by the Board of Directors from among the Board's members.
- iii. The quorum for the transaction of business of the Board of Directors shall be simple majority of the total complement for the time being of the Board of Directors.
- iv. Each Director shall have one vote. All decisions of the Board of Directors shall be taken by a simple majority of votes of those present.
- v. Written notice of each meeting of the Board of Directors shall be given to all members of the Board of Directors at least 7 days prior to the date of the meeting.
- vi. A resolution of the board of directors may be taken by means of a conference telephone (or by means of any other communication equipment) which allows all persons participating to hear each of the others at all material times. Any decision so arrived at will be deemed a decision of a meeting of the directors and all of the provisions of this article relating to meetings of the directors will apply, mutatis mutandis. A director participating in such a decision will be deemed to be present in person and will be entitled to vote or be counted in a quorum accordingly.
- vii. A resolution in writing, signed by all the Directors of the Board (including also resolutions signed in counterparts, and resolutions signed electronically), for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effective as if it had been passed at a meeting of the Directors duly convened and held.
- viii. The Directors of the Board shall, in the exercise of their duties and the exercise of their powers and discretions, act with prudence, diligence and attention and observe the utmost good faith.
- ix. All financial and other stakes or interests whereby members of the Board stand to benefit from decisions of the Board, are to be promptly minuted in detail in the records of the Board. Failure to account for these obliges the Board to take immediate legal and judicial action and also automatically disqualify the members or members concerned from serving on the Board.

**11. Head of School**

- i. The Board of Directors shall appoint a Head of School to manage and run any school established, maintained and carried on by the Foundation.
- ii. The Head of School shall conduct the day to day administration of the School.
- iii. The Head of School shall follow policies set by the Board and shall be accountable to the Board of Directors.

**12. Representation of the Foundation**

- i. Deeds of whatever nature engaging the Foundation and all other documents purporting to bind the Foundation, including bank documents, cheques, promissory notes, drafts, bills of exchange and other negotiable instruments shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, on behalf of the Foundation by the Head of School, or, without prejudice to the power of the Head of School at all times to represent the Foundation as aforesaid, by any person or persons duly authorized by the board for the purpose.
- ii. The Foundation shall be represented in judicial proceedings by the Head of School, or, without prejudice to the power of the Head of School at all times to represent the Foundation as aforesaid, by any person or persons duly authorized by the board for the purpose.

**13. Funds**

- i. The sources of the Foundations funds shall be from:-
  - (a) Contributing Community membership fees, school tuition and fees, subsidies.
  - (b) Inheritances, legacies and gifts.
  - (c) Other income.
- Provided further that subject to the provisions of this Statute no part of the income, capital or property is available directly or indirectly to any promoter, founder, Director, Community member, donor, or any other private interest. The income, capital or property of the Foundation shall be exclusively utilized for the achievement of its established objectives and purposes.
- Provided further that any donor, founder, Director, promoter, Community member, or volunteer may receive remuneration from the Foundation when he is engaged or is an employee of the Foundation under a written contract or when he is the provider of any goods or services to the Foundation in accordance with applicable law.
- ii. The Foundation shall hold a bank account with any commercial bank in Malta.

**14. Duration and Termination**

- i. The Foundation is a public benefit, social purpose and non-profit making foundation set up for the fulfillment of its objectives and purposes, and is therefore constituted in an irrevocable manner and shall be terminated only in the event of its objectives and purposes having been achieved or upon its objectives and purposes no longer being capable of achievement subject to a resolution passed and carried by seventy-five per cent (75%) of the votes of the members of the Community present and voting during a General Meeting.
- ii. In the event of the termination of the Foundation, all remaining assets and funds owned by the Foundation shall become the property of the Government of Malta. The dissolution of the Foundation shall be regulated by the Second Schedule to the Civil Code, Chapter 16 of the Laws of Malta and the Registrar for Legal Persons shall be duly notified in terms of law.

**15. Choice of Law and Jurisdiction**

- i. This Statute is subject to the Laws of Malta.
- ii. Any claim, controversy, disagreement, dispute, or litigation arising out of the construction, validity, implementation, interpretation, or operation of the Foundation shall be subjected for determination to the exclusive jurisdiction of the Courts of Malta.

**PROPOSED WORDING**

- i. The Board of Directors shall make regulations for its meetings and the conduct of its business.
- ii. The Chairperson shall be appointed by the Board of Directors from among the Board's members.
- iii. The quorum for the transaction of business of the Board of Directors shall be simple majority of the total complement for the time being of the Board of Directors.
- iv. Each Director shall have one vote. All decisions of the Board of Directors shall be taken by a simple majority of votes of those present.
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**LEGAL COMMENTS**

**Schedule  
Board of Directors**

First Name:  
Surname:  
Country of Ordinary Residence:  
Nationality:  
ID/Passport Number:  
Date of Birth:  
Residential Address:  
Appointment Date:  
[to replicate for each director]

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First Name:  
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