

ARTICLES OF FOUNDATION

CLEAN ENERGY FOUNDATION (TEMEV)



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DEFINITIONS

Article 1- A foundation named “**Clean Energy Foundation**” has been established to conduct works in line with the following purposes. The “Clean Energy Foundation” shall hereinafter be referred to as the “Foundation”.

HEADQUARTERS OF THE FOUNDATION

Article 2- The Foundation is headquartered in Ankara. However, upon due notice to the Directorate General of Foundations of Turkey, the Supreme Board of the Foundation may decide to move the headquarters to another location. Representation offices, agencies and branches of the Foundation may be established at national and overseas levels with a view to achieving the objectives of the Foundation.

OBJECTIVES OF THE FOUNDATION

Article 3- The objectives of the Foundation shall be to conduct or have others conduct research, development and implementation studies for ensuring extensive use of clean and renewable (inexhaustible) energy; conduct or have others conduct research, development and implementation studies for ensuring the least possible environmental pollution of pollutant, non-renewable (depletable) energy resources; conduct or have others conduct works for the frugal use of energy; raise environmental quality at local, regionals and global scales and create the non-polluting clean energy structure of the future.

¹ Registered by the decision of the 17th Civil Court of First Instance of Ankara dated 26.12.1994 and no. E:1994/732, K.1994/685 and issued in Official Gazette of Turkey dated 15 January 1995 and no. 22172.

ACTIVITIES OF THE FOUNDATION

Article 4- With a view to achieving its objectives, the Foundation shall:

- a) spearhead initiatives for the dissemination of the clean and renewable (inexhaustible) energy; establish, have others establish and support the establishment of new residential areas using such energy; and conduct practices, have others conduct and support practices of such energy in the old residential areas;
- b) launch, have others launch and support theoretical and experimental studies on clean and renewable energy; and set up laboratories, purchase or hire the required devices towards this aim;
- c) organize activities to further improve communication among the persons engaged in studies on clean and renewable energy; disseminate and announce these studies; ensure coordination among the agencies operating in this field and develop joint studies with the potential participation of various related agencies;
- d) Organize meetings on clean and renewable energy at regional, national and international levels and contribute to and support the organized meetings;
- e) Establish contacts with the national and international agencies engaged in clean and renewable energy; conduct joint work with these agencies; participate, contribute to and support the relevant projects;
- f) Design projects in line with the clean and renewable energy demands of public and private institutions; review and conclude these projects;
- g) Enlighten the public on clean and renewable energy resources; organize informative activities and set up advisory and public information centers;
- h) Hold instructional and training programs on clean and renewable energy; support such activities and grant scholarships to the persons and students conducting scientific research on clean and renewable energy;
- i) Organize competitions on clean and renewable energy and grant awards and gifts for that purpose;
- j) Initiate studies to assess and evaluate the adverse environmental effects regarding the generation and consumption of energy; conduct, have others conduct and support research, development and implementation studies to remove the adverse effects;
- k) Determine the technical, economic, social and managerial obstacles impeding the dissemination of clean and renewable energy; initiate studies to overcome these obstacles; contact the relevant agencies and participate and support the initiatives undertaken for the legislative amendments;

- l) Conduct research, development and implementation studies to ensure dissemination of clean and renewable energy at urban level and the frugal use of pollutant and non-renewable energies with least environmental adverse effects; and provide consulting services to local administrations in these fields; and conduct, have others conduct and support research, development and implementation studies to remove the adverse effects at urban level;
- m) express opinions and provide consulting services to public and private institutions as regards clean and renewable energy and related fields;
- n) establish, have others establish and operate clean and renewable energy generation and distribution centers; and open centers or offices for the distribution and sale of the generated energy;
- o) Conduct research, development and implementation studies on energy saving; participate and contribute to legislative amendment and renewal;
- p) Launch joint studies with small, medium and large-size industries to ensure the development, generation and dissemination of clean and renewable energy technologies; support relevant studies and set up joint facilities; incorporate commercial enterprises and shut down these enterprises if necessary; the executive board of the foundation shall decide on the selection and appointment or the dismissal of a manager or entire managers for these enterprises.

ASSETS OF THE FOUNDATION

Article 5- The current assets of the foundation amount to TL 427.500.000.

REVENUES OF THE FOUNDATION

Article 6- The revenues of the Foundation shall be composed of any income earned from personal property and real estate, services and commodities provided by the Foundation as well as the donations given to the Foundation and the income received from the founders of the Foundation.

With a view to increase the revenues, the Foundation shall raise funds, acquire personal property and real estate, and rent and sell these. The Foundation shall earn income by providing goods and services to public and private institutions and generate income from any studies that it may implement in line with its objectives. The Foundation shall take legal actions towards income augmentation in a manner befitting its objectives.

The Foundation may receive and manage the funds and allotments created in line with its objectives. The Foundation may also receive and manage the allotments of the natural and legal entities in a manner to include the specific conditions not contravening the laws and the provisions hereof.

Where the personal property and real state donated by natural and legal entities to the Foundation have not been mentioned in the deed of donation, these personal property and real estate may be sold with the permission of natural persons and legal entities (if natural persons are still alive and legal entities still keep their legal status) and upon the suggestion of the Executive Board and approval of the Supreme Board of the Foundation without prejudice to the provisions of the relevant legislation.

The Foundation may make investments and be engaged in economic activities with a view to generating continuous revenue streams. The Foundation may accordingly incorporate businesses and partnerships and may manage these businesses and partnerships single-handedly or on a collegiate basis.

BODIES OF THE FOUNDATION

Article 7- The following shall be the bodies of the Foundation:

- a) Supreme Board of the Foundation
- b) Executive Board of the Foundation
- c) Board of Auditors of the Foundation
- d) General Direction of the Foundation

SUPREME BOARD OF THE FOUNDATION

Article 8- The first Supreme Board of the Foundation shall be composed of the natural persons and legal entities enlisted in the enclosure (1).

The Supreme Board shall be the highest decision-making body of the Foundation and shall thus take any decisions as to the Foundation.

New members of the Supreme Board of the Foundation shall be elected upon the suggestion of the members of the Executive Board or Supreme Board and by the absolute majority of the total membership of the Supreme Board. The election of new members may be held at the sessions of the Supreme Board or by the signing of the membership affiliation forms by the absolute majority of the total membership of the Supreme Board out of the sessions.

Upon the invitation of the Executive Board, the Supreme Board shall convene when required by the regular works of the Foundation or by the submission to the Executive Board, of a written request by one fourth of the members of the Supreme Board of the Foundation. However, the Supreme Board shall be obliged to convene at least once each year. Where the absolute majority of the total membership is not met in the first meeting, the prerequisite for the absolute majority of the total membership shall not be required for the second meeting to be held within one week the latest; and the decisions shall be taken by absolute majority of the attendees. The prerequisite for convening the first meeting and the date of the second meeting shall be notified to the attendees during the announcement for the first meeting. The Supreme Board shall elect the Chairman of the Supreme Board from amongst the attending members by absolute majority of the attendees. Legal entities may be represented by maximum two persons at the Supreme Board of the Foundation.

By absolute majority of the total membership, the Supreme Board shall elect to honorary membership, the natural persons and legal entities proposed by its members and the Executive Board. The honorary members may participate the sessions of the Supreme Board and deliver their opinions; yet they shall have no voting rights. Honorary members shall be awarded lifetime honorary membership and this membership may not be alienated to others nor may be bequeathed as part of an inheritance.

Apart from the appointed 2 members, the Supreme Board shall elect 5 permanent and 5 alternate members to the Executive Board by the absolute majority of total membership. The Supreme Board shall set the fees paid to the members of the Executive Board per each session.

Supreme Board Membership of legal entities shall be valid during the legal existence of these entities. The legal entities may change their representatives acting as members to the Supreme Board; yet the members elected to the Executive Board and Board of Auditors shall remain to be members until the expiration of their terms of office.

Natural persons shall be awarded lifetime honorary membership and this membership may not be alienated to others nor may be bequeathed as part of an inheritance. The members of the Supreme Board may voluntarily resign their Supreme Board membership.

By absolute majority of total membership, the Supreme Board shall elect 2 permanent and 2 alternate members to the Board of Auditors from amongst its members or from outside.

The Supreme Board shall assess the activities of the preceding period and shall accordingly discuss the future activities and take relevant decisions.

The Supreme Board shall convene within the first two months of the calendar year to negotiate and approve the budget of the Foundation prepared by the Executive Board by the end of each fiscal year as well as the budget estimated for the following year.

The Supreme Board shall decide on the participation of the Foundation in overseas partnership and set up overseas representations, offices and branches.

The Supreme Board shall decide on the rewarding of the natural persons and legal entities suggested by the Supreme Board members and Executive Board. The rewarded natural persons and legal entities shall be entitled to participate the Supreme Board for the two terms following the term of their rewarding.; yet they shall have no voting rights.

Except for the decisions further specified herein, the Supreme Board shall take decisions by absolute majority of the attendees. The members shall cast affirmative or negative votes. They may not abstain from voting. A member not attending the session of the Supreme Board may grant a proxy to another member in a written form. A Supreme Board Member may represent maximum one member (except for himself) at the sessions of the Supreme Board.

EXECUTIVE BOARD OF THE FOUNDATION

Article 9- The Executive Board shall be composed of 7 members.

2 of these members shall be appointed by the Scientific and Technological Research Council of Turkey (TUBITAK).

The remaining 5 members of the Executive Board shall be elected by the Supreme Board of the Foundation by absolute majority of total membership from amongst their members or from outside.

One member of the Executive Board to be appointed by the Science Board of TUBITAK shall be proposed by the Chairman of TUBITAK from amongst the persons engaged in similar activities of the Foundation and holding minimum PhD degrees and employed in TUBITAK, Universities or equivalent research agencies; whereas the latter shall be proposed by the Technology Development Foundation of Turkey.

The Members of the Executive Board shall be elected and appointed for a duration of 4 years. The members whose terms expire, may be reelected. The previous members shall maintain their positions until the new members take office. The alternate members substituting the members that resigned before the expiry of their terms, shall complete the remaining part of the term. The appointed members may be replaced by others by the Science Board of TUBITAK before the expiration of the term. Furthermore, if necessary, the Supreme Board of the Foundation may decide to hold elections before the expiration of the term.

The Chairman of the Executive Board shall be elected by absolute majority of the total membership, from amongst the members of the Board.

The Executive Board shall represent the legal entity of the Foundation through the medium of the Chairman. The Executive Board shall manage the Foundation in line with its purposes and relevant laws, and shall implement the decisions of the Supreme Board of the Foundation.

The Executive Board shall be held responsible towards the Supreme Board of the Foundation for the performance of its duties.

The Executive Board shall approve the staff cadre tables.

The Executive Board shall prepare the annual balance sheet, estimated budget and working report of the Foundation and shall submit these for approval of the Supreme Board of the Foundation.

The Executive Board shall convene at least six times a year by call of the Chairman of the Executive Board. Four attendees must be present for a quorum of the meeting of the Executive Board. Except for the decisions further specified herein, the Executive Board shall take decisions by absolute majority of the attendees. In case of an equality of votes, the Chairman shall have a second or casting vote. The members shall cast affirmative or negative votes. They may not abstain from voting. The membership of a member shall end in case of successive non-attendance for three times to the meetings of the Executive Board without any valid cause.

The Executive Board shall take decisions enabling the Foundation to set up businesses, perform investments, participate in partnerships; and establish representations, advisory and public information centers, offices and branches at a domestic level.

To the extent deemed appropriate, the Executive Board may delegate its authorities to the General Director.

If deemed necessary, the Executive Board may establish sub-committees and authorize these sub-committees in the execution of certain works.

The honorarium paid to the members of the Executive Board shall be decided by the approval of the Supreme Board of Foundation. Travel allowances, fees etc. paid for domestic and international travels related with the works of the Foundation shall be decided every year by the Executive Board, depending on the budgetary conditions of the Foundation.

In the fulfillment of the works befitting the objectives of the Foundation, the Executive Board shall take guiding decisions; assess the progresses reported to the Board; take decisions as regards necessary changes and progresses; monitor and audit the works under its previous decisions; pinpoint the necessary changes; finalize the works if required; decide on the implementation of new studies; in brief, the Board shall be authorized to implement, monitor and conclude the activities of the Foundation.

The Executive Board shall decide the projects that may be supported or participated by the Foundation. The Executive Board shall accordingly decide on the organization of any scientific meetings; name the persons representing the Foundation at national and international meetings; ensure that the Foundation is engaged in instructional and training programs; nominate potential award winners and gift receivers; and take decisions as regards the dissemination and announcement of the clean and renewable energy works.

BOARD OF AUDITORS OF THE FOUNDATION

Article 10- The Board of Auditors of the Foundation shall be composed of 2 permanent and 2 alternate members elected by the Members of the Supreme Board of the Foundation from amongst the members or from outside. These members shall review the works and the entire accounting books and documentation and report these to the Executive Board. Their term of office shall be 4 years. The alternate member substituting the resigned member before the expiration of his/her term, shall complete the remaining part of the term. The fees paid to the Members of the Board of Auditors shall be determined by the Supreme Board of the Foundation.

GENERAL DIRECTION OF THE FOUNDATION

Article 11- General Direction of the Foundation shall be composed of the General Director and the staff assigned by the General Director.

General Director shall be appointed by the Executive Board. The General Director shall be held responsible towards the Executive Board. In administering the Foundation, the General Director shall function under the decisions of the Supreme Board of the Foundation and the Executive Board. He/She shall be responsible towards the Executive Board for the staff of the Foundation. Within the mandate granted by the Executive Board, he/she shall represent the Foundation towards other persons. The General Director shall assign the staff in accordance with the staff cadre table approved by the Executive Board. The staff of the Foundation shall be held responsible towards the General Director. The General Director and staff shall be dismissed pursuant to the relevant provisions of the assignment procedures.

AMENDMENT OF THE ARTICLES OF FOUNDATION

Article 12- The Supreme Board of the Foundation shall be authorized to amend the Articles of Foundation. The amendment shall take effect by the affirmative voting of 2/3 of the entire members.

TERMINATION AND DISSOLUTION

Article 13- In cases of a decision as to the termination or dissolution of the Foundation, any assets remainder of the payment of the outstanding debts of the foundation through the current assets of the foundation and any claims of economic value shall be transferred to TUBITAK.

EFFECT

Article 14- The provisions of this present Articles of Foundation shall become effective by the registration of the Foundation into the court records.