

ARCHIMEDES FOUNDATION

STATUTES

I General provisions

1.1 The Archimedes Foundation (hereinafter referred to as the 'Foundation') has been established for the purpose of receipt and management of funds and earmarked allocations granted within the scope of the programmes of Estonia and of the European Union and other international programmes as well as state functions assigned to the Foundation under the contract under public law, and for the purpose of development of the Estonian education and research system and the youth field using the funds received.

1.2 The name of the Foundation is the Archimedes Foundation.

1.3 The founder of the Foundation is the Republic of Estonia, whose founder's rights are exercised by the Ministry of Education and Research.

1.4 The Foundation is a private-law legal person operating in the public interest and guided in its activities by the laws and other legislation of the Republic of Estonia, the statutes, and the rules of the European Union and other providers of finance.

1.5 The Foundation shall cooperate with governmental agencies and with Estonian educational, research, youth and development institutions and organisations. Cooperation with the Ministry of Education and Research shall be carried out on the basis of agreements concluded between the Ministry of Education and Research and the Foundation.

1.6 The Foundation is based in Tallinn. The Foundation shall have agencies in accordance with the needs arising from the implementation of programmes.

II Purpose of the Foundation

2.1 The Foundation shall pursue the following main objectives, managing and using its own assets, assets allocated to it for the relevant purposes, or funds received via public competitions:

2.1.1 promotion and modernisation of the Estonian education, research and development system and youth organisations, popularisation of Estonian education and research, and strengthening cooperation with other spheres of society;

2.1.2 preparation of the Estonian education and research system and youth organisations for cooperation with the structures of the European Union (EU) and for participation in various EU and other programmes;

2.1.3 preparation of EU and national education, research, development, youth and information society programmes and projects, provision of advice on such programmes and projects and, if necessary, implementation of the programmes and projects;

2.1.4 performance of the tasks of an implementing body organising the granting of structural assistance in the priority axes or other areas specified in legislation;

2.1.5 evaluation and promotion of the quality of education in Estonia.

2.2 In order to achieve its objectives, the Foundation shall:

2.2.1 together with the Ministry of Education and Research and, if necessary, in cooperation with other ministries, prepare for participation in EU programmes, and coordinate and implement the programmes approved by the Ministry of Education and Research;

2.2.2 assist and consult agencies involved in education, research, youth, training, information technology and development in the preparations for participation in programmes and projects and in the implementation of projects;

- 2.2.3 coordinate its activities with other programmes and projects related to education, research, youth, training, information technology and development, and with providers of finance;
- 2.2.4 prepare and commission surveys and conduct seminars, training and exchange programmes necessary for the fulfilment of its objectives;
- 2.2.5 systematise and provide information about EU and Estonian programmes and about the development trends of education, research, development and youth policies and of the information society;
- 2.2.6 grant and intermediate targeted scholarships and grants related to research, education, youth and development activities;
- 2.2.7 grant and intermediate prizes and rewards for education, youth and development activities;
- 2.2.8 evaluate foreign qualifications that give access to higher education and certify higher education;
- 2.2.9 organise and conduct external evaluations of educational institutions;
- 2.2.10 establish regulatory documents necessary for the performance of its tasks if they are not provided for by other legislation;
- 2.2.11 conclude transactions aimed at contributing to the objectives of the Foundation.

III Management of the Foundation

3.1 Supervisory Board of the Foundation

- 3.1.1 The activities of the Foundation shall be planned and supervision over the activities of the Foundation shall be exercised by the Foundation's supervisory board (hereinafter referred to as the 'Supervisory Board').
- 3.1.2 The members of the Supervisory Board of the Foundation shall be appointed and removed by a decision of the Minister of Education and Research. The Minister of Education and Research may remove a member of the Supervisory Board regardless of the reasons.
- 3.1.3 The number of members of the Supervisory Board shall be determined on the basis of the objectives, assets and financial situation of the Foundation, as well as the need to ensure the effective implementation of the functions of the Supervisory Board in the planning and organisation of the Foundation's activities and exercising supervision over the activities of the Management Board.
- 3.1.4 The Supervisory Board shall have five (5) members. The members of the Supervisory Board shall be appointed by the Minister of Education and Research, including one (1) on the proposal of the Minister of Finance and one (1) on the proposal of the Estonian Rectors' Conference. The term of office of the members of the Supervisory Board shall be three (3) years.
- 3.1.5 A person may not serve as a member of the Supervisory Board of the Foundation if the person himself or herself has, or persons connected with the person have, a substantive conflict of interest with the Foundation, which may, among other things, be expressed in the circumstances specified in sections 3.1.5.1 to 3.1.5.5 of the statutes. In addition, in relation to the circumstances specified in sections 3.1.5.6 to 3.1.5.10 of the statutes, a person may not serve as a member of the Supervisory Board of the Foundation if:
 - 3.1.5.1 the person is a self-employed person who is engaged in the same economic activities as the Foundation and is not a co-founder of the Foundation;
 - 3.1.5.2 the person is a partner of a general partnership or the general partner of a limited partnership engaged in the same economic activities as the Foundation, and neither the person nor the general or limited partnership of which that person is a partner is a co-founder of the

Foundation;

3.1.5.3 the person owns a qualifying holding in a company engaged in the same economic activities as the Foundation, and neither the person nor the company in which that person owns the qualifying holding is a co-founder of the Foundation;

3.1.5.4 the person is a member of the governing body of a company operating in the same area of activity as the Foundation, except where that company is a partially state-owned company, or a company which belongs to the same group as a partially state-owned company, or a company which is a co-founder of the Foundation;

3.1.5.5 the person has substantial business interests in relation to the Foundation, which among other things are reflected in owning a qualifying holding in or being a member of the governing body of a legal person which is a significant buyer of goods from or seller of goods to, or supplier of services to or user of services of, the Foundation;

3.1.5.6 the person's culpable acts or omissions have resulted in the bankruptcy of any person;

3.1.5.7 the person's culpable acts or omissions have resulted in the withdrawal of an authorisation issued to a legal person;

3.1.5.8 the person has been subject to a prohibition on business during the five previous years;

3.1.5.9 the person's culpable acts or omissions have caused harm to a legal person and less than five years have passed since the payment of compensation for the harm caused;

3.1.5.10 the person has been convicted of an economic criminal offence or of a criminal offence related to the office held, or of a criminal offence against property, and the data concerning the conviction have not been expunged from the criminal records database.

3.1.6 Members of the Supervisory Board shall be paid remuneration corresponding to their duties and the financial situation of the Foundation once a month. The remuneration shall not exceed the limits set by the Regulation of the Minister of Finance. The remuneration of the members of the Supervisory Board of the Foundation shall be set by the person exercising the founder's rights.

3.1.7 Equal remuneration shall be set for the members of the Supervisory Board; higher remuneration may be set for the chairman of the Supervisory Board. The remuneration of a member of the Supervisory Board shall not be paid to a Minister, Assistant Minister, State Secretary or County Governor.

3.1.8 Additional remuneration may be set for a member of the Supervisory Board for the participation of that member in the audit committee specified in the Auditors Activities Act, or other body of the Supervisory Board.

3.1.9 In the payment of remuneration to the members of the Supervisory Board, their participation in the meetings of the Supervisory Board and in the activities of the bodies of the Supervisory Board shall be taken into account. Members of the Supervisory Board who did not participate in the adoption of the Supervisory Board's decisions shall not be remunerated for the month of the meeting of the Supervisory Board. If several meetings of the Supervisory Board were held during the same month, the remuneration shall be paid in proportion to the number of the meetings in which the member participated. An order to not pay remuneration to a member of the Supervisory Board shall be issued to the Management Board by the chairman of the Supervisory Board or, in his or her absence, the chair of the meeting after the signing of the minutes of the meeting of the Supervisory Board.

3.1.10 In the case that a member of the Supervisory Board is removed, no compensation shall be paid to the member.

3.1.11 In the case that the notification obligation specified in section 84 (2) 1 or 2) of the State

Assets Act is not complied with, the person or body which set the remuneration may decide to suspend the payment of remuneration to the chairman of the Supervisory Board or to reduce the remuneration in proportion to the duration of the period during which that obligation was not complied with. The basis for suspending the remuneration is the written notice of the person exercising the founder's rights to the Management Board of the Foundation, indicating the period for which the chairman of the Supervisory Board is not to receive any remuneration.

3.1.12 The Supervisory Board of the Foundation shall decide on the following issues related to the Foundation's activities:

3.1.12.1 determine, on the proposal of the Management Board, the strategy and priority development directions of the Foundation's activities through approval of the Foundation's development plan, approve the programmes financed or co-financed by the state budget and monitor the implementation of the programmes;

3.1.12.2 ensure the sustained capability of the Foundation to pursue the objectives set out in the statutes and the strategic objectives of the Foundation;

3.1.12.3 approve, no later than by the beginning of each financial year, the measurable annual operational objectives, the budget and the action plan of the Foundation, and the annual report and management report prepared and submitted by the Management Board of the Foundation (hereinafter referred to as the 'Management Board');

3.1.12.4 establish the rules of procedure of the Supervisory Board;

3.1.12.5 approve the rules of procedure of the Management Board;

3.1.12.6 approve the work plan of the Management Board;

3.1.12.7 verify the purposeful use of budgetary funds;

3.1.12.8 appoint and remove members of the Management Board. The composition of the new Management Board shall be determined during the last 2 months of the term of office of the current Management Board;

3.1.12.9 decide on the payment of remuneration to the members of the Management Board;

3.1.12.10 make amendments to the statutes in agreement with the founder;

3.1.12.11 designate the financial auditor of the Foundation for a period not exceeding two years, decide on the procedure for remuneration of the auditor and approve the auditor's reports;

3.1.12.12 decide on the general rules for granting scholarships and grants, and approve the procedure for submitting and reviewing applications for them, unless it is provided for by other legislation;

3.1.12.13 approve, in accordance with laws and other legislation, the structure of the Foundation, the statutes of structural units and, if necessary, other regulatory documents governing the organisation of the Foundation's work;

3.1.12.14 approve, in accordance with laws, the membership of boards, committees and other bodies regulating the performance of the functions of the Foundation, or the list of organisations represented therein, unless they have been established by other legislation;

3.1.12.15 perform other duties arising from law;

3.1.12.16 decide on the amendment of the statutes of the Foundation;

3.1.12.17 approve the procedure for the use and disposal of the assets of the Foundation;

3.1.12.18 represent the Foundation in disputes and transactions with members of the Management Board;

3.1.12.19 decide on the division of the Foundation.

3.1.13 The Supervisory Board shall elect a chairman from among its members.

3.1.14 The chairman of the Supervisory Board shall:

3.1.14.1 organise the activities of the Supervisory Board, convene meetings of the Supervisory Board, and determine the place of the meetings and the issues to be discussed at the meetings;

3.1.14.2 make proposals to the Supervisory Board for adoption of decisions in matters falling within the competence of the Supervisory Board;

3.1.14.3 decide who to invite to a meeting of the Supervisory Board in addition to the members of the Supervisory Board and Management Board;

3.1.14.4 appoint the minutes-secretary of a meeting of the Supervisory Board;

3.1.14.5 on the basis of the decisions of the Supervisory Board, sign contracts with the chairman and members of the Management Board for and on behalf of the Foundation, and represent the Foundation in other cases provided by law and the statutes;

3.1.14.6 conduct annual development interviews with the members of the Management Board no later than before the approval of the annual report.

3.1.15 Meetings of the Supervisory Board shall be held at least four times a year. Meetings shall be called by the chairman of the Supervisory Board or by a member of the Supervisory Board substituting for the chairman. Meetings of the Supervisory Board shall be convened in the above cases, as well as at the request of a member of the Supervisory Board, a member of the Management Board or an auditor.

3.1.16 Meetings of the Supervisory Board have a quorum if over one-half of the members of the Supervisory Board participate. As a rule, a member of the Supervisory Board shall have no right to abstain from voting or remain undecided, except when voting on decisions concerning the particular member of the Supervisory Board. Resolutions of the Supervisory Board shall be adopted by a simple majority of the members attending the meeting. In the event of an equal division of votes, the chairman of the Supervisory Board shall have the casting vote.

3.1.17 The statutes may be amended if two-thirds of the members of the Supervisory Board are in favour; a budget shall be approved by a majority of two-thirds of the participants in the meeting. A decision to raise a loan for the Foundation or to enter into a finance lease may be adopted by the Supervisory Board only with the consent of the whole Supervisory Board, i.e. by unanimous approval.

3.1.18 The Supervisory Board may also adopt decisions without convening a physical meeting. In this case, a decision shall be adopted in accordance with the rules of procedure of the Supervisory Board, approved by the Supervisory Board.

3.1.19 Minutes shall be taken of the meetings of the Supervisory Board. The minutes shall be signed by all of the members of the Supervisory Board participating in the meeting. The dissenting opinion of a member of the Supervisory Board shall be entered in the minutes and confirmed by his or her signature.

3.1.20 When drawing up the minutes of a meeting of the Supervisory Board, at least the submission of the data and forms established by the Minister of Finance shall be ensured, including the list of participants in the meeting, the chair and the minutes-secretary of the meeting, the time and place of the meeting, the agenda of the meeting, the decisions adopted on the basis of the agenda of the meeting and the distribution of votes in decision-making, a summary of informative questions posed in connection with the agenda, and the time of the next meeting.

3.1.21 The chairman of the Supervisory Board shall ensure the submission of the following information to the person exercising the founder's rights and to the Minister of Finance:

3.1.21.1 the agenda of a meeting of the Supervisory Board at least three business days before the meeting is held and, within one month following the holding of the meeting, a copy of the minutes of the meeting together with the materials for the meeting;

3.1.21.2 in the case that a resolution of the Supervisory Board is adopted without calling a meeting of the board, the draft resolution of the Supervisory Board at the same time that it is transmitted to the members of the Supervisory Board, and the record of the vote or the results of the vote within five business days following the vote.

3.2 Management Board of the Foundation

3.2.1 The executive body of the Foundation is its Management Board that manages and represents the Foundation. The Management Board of the Foundation shall have two members. The chairman of the Management Board, who will organise the activities of the Management Board, shall be elected and appointed by the Supervisory Board of the Foundation, informing the Minister of Education and Research and the Secretary General. The term of office of the members of the Management Board shall be up to 5 years.

3.2.2 A person may not serve as a member of the Foundation's Management Board if:

3.2.2.1 the person's culpable acts or omissions have resulted in the bankruptcy of any person;

3.2.2.2 the person's culpable acts or omissions have resulted in the withdrawal of an authorisation issued to a legal person;

3.2.2.3 the person has been subject to a prohibition on business during the five previous years;

3.2.2.4 the person's culpable acts or omissions have caused harm to a legal person and less than five years have passed since the payment of compensation for the harm caused;

3.2.2.5 the person has been convicted of an economic criminal offence or of a criminal offence related to the office held, or of a criminal offence against property. This disqualification shall not apply to a person whose information concerning the conviction has been expunged from the criminal records database.

3.2.3 The members of the Management Board shall be appointed and removed by the Supervisory Board. The Supervisory Board may remove a member of the Management Board at any time before the expiration of his or her term of office, regardless of the reason. In the case that a member of the Management Board is removed from office with good reason, which is, above all, material non-performance of his or her duties or inability to manage the Foundation, no severance pay shall be paid to the member.

3.2.4 In the case that a member of the Management Board is removed before the expiration of his or her term of office without good reason, the member may be paid severance pay of up to three times the monthly remuneration paid to the member at the time of removal.

3.2.5 Members of the Management Board shall be remunerated for the performance of the duties of a member of the Management Board on the basis of the following principles:

3.2.5.1 Remuneration may be paid to a member of the Management Board only under a board member agreement signed with the member. In the case that the member of the Management Board, in addition to the duties of the member of the Management Board of the Foundation, performs other tasks required by the Foundation, such tasks may only be remunerated if this is stipulated in the board member agreement.

3.2.5.2 Additional remuneration may be paid to a member of the management board as a function of his or her performance. The amount of the additional remuneration shall be justified, having regard to the attainment of the objectives set for the Foundation. The total amount of additional remuneration paid during a financial year shall not exceed the amount equivalent to four times the

average monthly remuneration paid to the member of the Management Board in the previous financial year.

3.2.6 The duties of the members of the Management Board shall be specified in the agreement mentioned in sections 3.1.14.5 and 3.2.5.1 of the statutes.

3.2.7 The Management Board shall:

3.2.7.1 effectively and sustainably manage the Foundation through the implementation of the action plan and budget, the operation of the internal control system, the establishment and implementation of personnel policy, and quality management;

3.2.7.2 ensure that an organisation-specific development plan is prepared for the Foundation for at least a medium-term period;

3.2.7.3 if necessary, make proposals to the Foundation's Supervisory Board for approval of the structure of the Foundation;

3.2.7.4 approve the documents governing the work of the Foundation and its structural units, as well as employees' job descriptions;

3.2.7.5 prepare the Foundation's budget, action plan and measurable annual operational objectives and submit these to the Supervisory Board for approval at least one month before the beginning of a financial year, ensure the implementation of the Foundation's budget, approve the budgets of the Foundation's structural units and verify the implementation of the budgets of the structural units;

3.2.7.6 approve the documents governing the financial activities of the Foundation and its structural units and ensure that the purposefulness of the use of funds is verified, taking into account the legislation in force, these statutes and the statutes of the structural units;

3.2.7.7 organise the accounting of the Foundation;

3.2.7.8 approve the Foundation's accounting policies and procedures and, if necessary, documents governing remuneration;

3.2.7.9 approve the rules governing the Foundation's records management;

3.2.7.10 prepare the rules of procedure of the Management Board, which stipulate the requirements for preparing, conducting and recording of the meetings of the Management Board, and submit these to the Supervisory Board for approval;

3.2.7.11 prepare the work plan of the Management Board;

3.2.7.12 approve the reporting procedure of the Foundation's structural units, and compile and submit reports on the activities of the Foundation to the relevant institutions and persons in accordance with the procedure prescribed by laws and other legislation, assuming responsibility for the accuracy of the Foundation's reports;

3.2.7.13 submit to the Supervisory Board, within a month following each quarter, an overview of the economic activities and financial status of the Foundation, the use of budgetary funds and the receipt of planned revenue, providing the Supervisory Board and, in cases provided for by law, other persons with the necessary information about the Foundation and its management, and, if necessary, submit reports in this regard;

3.2.7.14 immediately notify the Supervisory Board of any material deterioration of the financial status of the Foundation and of any other material circumstances related to the economic activities of the Foundation;

3.2.7.15 inform the Supervisory Board on a regular basis (at least once a year, together with its operational objectives and draft budget) about the results of the assessment of the Foundation's risks and the planned risk mitigation activities;

- 3.2.7.16 submit to the registry the list of auditors and Supervisory Board members;
- 3.2.7.17 inform the registry of changes to the data submitted to the registry;
- 3.2.7.18 perform all other tasks and obligations related to the Foundation that do not fall within the competence of the Supervisory Board under law and these statutes;
- 3.2.7.19 implement the decisions of the Supervisory Board and assume responsibility for the development of the Foundation and the success of its work;
- 3.2.7.20 enter into contracts and issue Powers of Attorney on behalf of the Foundation;
- 3.2.7.21 be responsible for the submission of strategic plans concerning the Foundation's programmes and projects to providers of finance, and ensure cooperation between different programmes and projects;
- 3.2.7.22 organise cooperation with state and local authorities and public and private legal entities;
- 3.2.7.23 monitor and check the progress of programmes and projects;
- 3.2.7.24 enter into and terminate employment contracts on behalf of the Foundation;
- 3.2.7.25 approve, in accordance with laws and other legislation, regulatory documents governing the organisation of the work of the Foundation, unless the approval of such documents falls within the competence of the Supervisory Board;
- 3.2.7.26 approve the membership of boards, committees and other bodies regulating the performance of the functions of the Foundation, unless the membership has been established by other legislation or the approval falls within the competence of the Supervisory Board;
- 3.2.7.27 perform other tasks related to the implementation of programmes;
- 3.2.7.28 perform other duties arising from law.

IV Assets, funds and audit of the Foundation

- 4.1 The sources for covering the expenditure planned for the work of the Foundation and the implementation of programmes and projects include funds received from EU and other international programmes and projects, earmarked allocations from the state budget of the Republic of Estonia, and earmarked allocations and donations from agencies, companies, organisations and individuals.
- 4.2 The Foundation shall use the funds received for the performance of tasks related to its statutory activities in accordance with the budget of the Foundation approved by the Supervisory Board. The Foundation's budget shall be in balance and include all the revenue and expenditure. The Foundation's budget shall be in conformity with the Foundation's financial plan, the budgetary position rules set out in section 6 of the State Budget Act, the net debt rule set out in section 10 of the same Act, and any limitations established in accordance with section 11 of the same Act.
- 4.3 The Foundation shall, each year, draw up and present a financial plan specified in section 12 of the State Budget Act, which will serve as the basis for the preparation of the Foundation's budget. The Foundation shall submit the financial plan to the Ministry of Education and Research by 15 February at the latest.
- 4.4 The Foundation shall organise its accounting and reporting in accordance with the procedure prescribed by legislation, also observing the requirements established in the European Union.
- 4.5 The financial economic activities of the Foundation shall be audited by a financial auditor appointed by the Foundation's Supervisory Board for a period of 2 years.
- 4.6 The Foundation's annual reports shall be submitted by the Management Board first to the financial auditor for examination and audit and then to the Supervisory Board for approval. An approved annual report shall be signed by all of the members of the Management Board.

4.7 An overview of the work of the Supervisory Board in organising, managing and supervising the activities of the Foundation during the reporting period, also indicating the total of remuneration payments made to each member of the Supervisory Board and Management Board during the financial year, shall be submitted with the audited annual report to the Ministry of Finance and the National Audit Office within four months of the end of the financial year.

4.8 In addition to the annual report, the Foundation shall publish the following on its website:

4.8.1 at the latest by the end of the month following the first and the third quarter of its financial year, the corresponding quarter's income statement, balance sheet and cash flow statement;

4.8.2 at the latest within two months after the end of the second and the fourth quarter of its financial year, the corresponding quarter's income statement, balance sheet and cash flow statement;

4.8.3 the audited and approved annual report and an overview of how the Supervisory Board has organised, managed and supervised the activities of the Foundation during the reporting period, at the same time as it was submitted to the Ministry of Finance and the National Audit Office.

4.9 The financial year of the Foundation shall commence on 1 January and end on 31 December.

4.10 As of 1 January 2011, the settlements of the Foundation are effected through the State Treasury.

4.11 The Foundation may not grant loans, secure third-party obligations, enter into deposit agreements with credit or financial institutions or invest its funds in financial assets, including in securities.

4.12 In an agreement on the acquisition of an immovable or right of superficies for no charge, the Foundation shall assume the obligation to use the asset for its intended purpose and to pay a penalty in accordance with the provisions of section 33 of the State Assets Act.

4.13 The person exercising the founder's rights is entitled to carry out a special audit of the Foundation and to use a structural unit of the agency under its control to carry out the audit.

4.14 The Foundation shall create the position of internal auditor directly accountable to the Management Board or commission the services of an internal auditor from an audit firm if, on the balance sheet date of the reporting year, the Foundation's balance sheet total exceeds two million euros or the revenue of the reporting year exceeds two million euros.

4.15 The Foundation may forgo creating the position of internal auditor or commissioning the services of an internal auditor from an audit firm if, in the view of the Supervisory Board, this may prove economically inexpedient. The Supervisory Board shall seek the approval of the person exercising the founder's rights before making such a decision.

4.16 An audit committee shall be formed at the Foundation if at least two of the following indicators in the annual report of the Foundation exceed the following figures:

4.16.1 balance sheet total – 2,000,000 euros;

4.16.2 revenue – 2,000,000 euros;

4.16.3 total assets on the balance sheet date – 2,000,000 euros;

4.16.4 average number of employees – 50.

4.17 The audit committee is a body that provides advice to the Supervisory Board on issues relating to accounting, auditing, risk management, internal control and internal auditing, supervision, preparation and implementation of budgets and action plans, and legality of activities.

4.18 The members and the chairman of the audit committee shall be elected and removed by the Supervisory Board in accordance with the following principles:

4.18.1 at least two members of the committee shall be specialists in accounting or law who are independent of the executive management of the Foundation;

4.18.2 an internal auditor or a member of the Management Board of the Foundation, the Secretary General of the Ministry of Education and Research or a person responsible for internal audit of the Ministry of Education and Research may not be a member of the audit committee;

4.18.3 the chairman of the Supervisory Board of the Foundation may not chair the audit committee.

4.19 The members of the audit committee shall be remunerated in accordance with the Auditors Activities Act.

V Merger and division

5.1 The Foundation shall be dissolved or merged with another foundation when this is demanded by the state. The Foundation may not be dissolved or merged with another foundation without the consent of the state. In the event of a merger, a merger agreement shall be concluded.

5.2 The Foundation may be divided according to the decision made by the Minister exercising the founder's rights and pursuant to the procedure provided by law, if this proves necessary for the achievement of the Foundation's statutory objectives.

5.3 The Foundation may acquire or transfer a holding in a company or participate in the establishment of another foundation only on the basis of the founder's decision.

VI Amendment of the statutes of the Foundation

6.1 The statutes may be amended by the Supervisory Board in agreement with the founder.

6.2 The statutes may be amended only in order to take into account changed circumstances, while respecting the purpose of the Foundation.

6.3 The statutes shall be amended and the amendments shall be entered in the register in accordance with the conditions and pursuant to the procedure provided by law.

VII Dissolution of the Foundation

7.1. The founder has the right to terminate the activities of the Foundation when its statutory objectives have been accomplished.

7.2. The Foundation shall be dissolved in accordance with the conditions and pursuant to the procedure provided by law.

7.3. In the event of dissolution of the Foundation, the assets remaining after the liquidation of the Foundation shall be transferred to the Republic of Estonia.

/signed digitally/

Hanno Tomberg

Member of the Management Board of the Archimedes Foundation

The statutes of the Archimedes Foundation have been amended on 13 June 2018.

Basis: Minutes No. 116 of the meeting of the Supervisory Board of the Archimedes Foundation