

ARTICLES OF ASSOCIATION FOR SOCIAL PROMOTION "NARTWORK APS"

NAME AND LOCATION

Art. 1. The Association of Social Promotion called "**Nartwork APS**" is hereby established. The Association shall include in its name the title APS (Associazione di Promozione Sociale), which constitutes its distinctive sign and which shall be included in communications addressed to the public and in any distinctive sign that the Association intends to adopt.

Art.2. The association has its head office in Naples, Piazza Enrico De Leva n°18 - Scala E, cap.80136. Any transfer of the association's registered office, within the same municipality, does not entail a change in the articles of association. The administrative body has the right to establish or suppress secondary and operational offices within the national territory or the City of Naples.

PURPOSE

Art. 3. In compliance with the provisions of art. 8 of Legislative Decree 117/2017, the association's assets, including any revenues, returns, proceeds, income however denominated, are used to carry out the statutory activities for the exclusive pursuit of civic, solidarity and socially useful purposes. Therefore, the distribution, even indirectly, of profits and operating surpluses, funds and reserves however denominated to founders, associates, workers and collaborators, directors and other members of the corporate bodies is prohibited, even in the event of withdrawal or any other case of individual dissolution of the association relationship. Without prejudice to the cases envisaged by the aforementioned article, by way of example only, the following shall in any case be considered as indirect distribution of profits the payment to directors, statutory auditors and anyone holding corporate office of individual remuneration that is not proportionate to the activity carried out, the responsibilities assumed and the specific skills or in any case higher than that provided for in entities operating in the same or similar sectors and conditions; the payment to employees or self-employed persons of salaries or remuneration that is forty per cent higher than that provided for, for the same qualifications, by the collective agreements referred to in Article 51 of Legislative Decree no. 81 of 15 June 2015, except in the case of proven needs relating to the management of the company and its subsidiaries. 81 of 15 June 2015, except for proven needs relating to the need to acquire specific skills for the purposes of carrying out the activities of general interest referred to in Article 5(1)(b), (g) or (h); the purchase of goods or services for consideration which, without valid economic reasons, exceeds their normal value; the supply of goods and services, at conditions more favourable than market conditions, to members, associates or participants, to founders, to members of the administrative and control bodies, to those who in any capacity work for the organisation or are part of it, to persons who make donations to the organisation, their relatives up to the third degree and their relatives-in-law up to the second degree, as well as the companies directly or indirectly controlled or connected by them, exclusively by reason of their capacity, unless such transfers or services are not the object of the activity of general interest pursuant to article 5 of Leg.Lgs.117/2017; the payment to entities other than banks and authorised financial intermediaries of interest expense, in respect of loans of any kind, in excess of four points above the annual reference rate. The aforementioned limit may be updated by decree of the Minister of Labour and Social Policy, in agreement with the Minister of Economy and Finance. The association undertakes to devolve the assets of the organisation, in the event of its extinction or dissolution for any cause, as specified in Article 5 of the memorandum of association, pursuant to Article 9 of Legislative Decree 117/2017.

SUBJECT

Art. 4. In particular, the association carries out the following activities

- protection, enhancement and promotion of the artistic and cultural heritage, both material and non-material.
- through the organisation and management of events and promotional activities of all kinds.

type for the public and local communities (exhibitions, competitions, awards, conferences, study seminars and public debates, film and documentary screenings, performances of all kinds) aimed at the knowledge and dissemination of art in all its expressions, the promotion of the artistic work of modern and contemporary artists, emerging young artists and the historical and artistic heritage. The association also participates in national and international fairs.

- Safeguarding, enhancing and promoting the cultural, historical and artistic heritage of the territory, devising and proposing projects to achieve these aims, participating in public tenders at all levels, also in a network with other Third Sector, public and private sector organisations. In particular, for these purposes, the association carries out research, awareness-raising and dissemination activities on the state of places of historical and artistic interest and the risks and dangers that threaten them, proposing and encouraging, through institutional dialogue, the adoption of specific integrated management plans.

- publishing for the purpose of disseminating information and raising public awareness on topics of interest to the association. In particular, the publishing activity aims to develop the knowledge of art and the historical-artistic-cultural heritage. The association intends to carry out this activity in every form (publication of books, catalogues, periodicals, essays and magazines, newsletters and news) through the use of every available publishing medium, including multimedia, through the use of blogs and social networks and in all forms of advanced technology that may arise.

- design, development and implementation, also on behalf of other subjects, of research and consultancy activities also in collaboration with other public and private research bodies (galleries, museums, libraries, archives, national and international universities) for these purposes the association promotes and encourages the exchange and collaboration between scholars and art lovers from all nations.

- promotion of legality and active citizenship, through initiatives of all kinds aimed at the area of reference and designed to involve above all the so-called 'fragile categories', i.e. minors at risk of social marginalisation, single mothers, women in difficulty due to particular personal and economic-social conditions, the disabled and the elderly;

- promotion and sale of works of art also online;

- fundraising through the organisation of events of all kinds, for the support of its own social activities as well as for the benefit of other bodies sharing the aims of the association

- tourist and accommodation facilities with the aim of disseminating and promoting Campania's natural, archaeological and food and wine heritage. To this end, the association may manage accommodation facilities (B&B and holiday homes) and organise tourist tours and guided visits;

- Provision of services that flank and support medical, psychological and rehabilitation therapies aimed at improving the health conditions and social, emotional and cognitive functions of the individuals concerned, also with the help of artistic training (art therapy) and artistic and musical education.

- Training and educational activities also in collaboration with schools of all levels in the area. These training and educational activities may be aimed at children, young people and adults and may be carried out through the organisation of courses, cycles of lessons, seminars, workshops, tourist and educational museum tours, guided tours, study trips, conferences and events of all kinds;

- Organisation of all types of events, including fundraising events: conferences, courses, seminars, meetings, parties, shows, concerts, festivals.

In order to support and expand its activities, the Association also works in the field of social planning, participating with the support of professional designers and fundraisers in national and European calls for funds.

It may also link up with other bodies and associations that share its aims and aspirations and are active in the field of social inclusion; and it may be joined by various bodies and associations involved in planning at national and EU level.

Wherever possible, the association favours the creation and development of social cooperatives within the meaning of law 381 of 1991 by supporting and collaborating with them.

BALANCE SHEET AND ACCOUNTING ENTRIES

Art. 5. The association undertakes to draw up the financial statements consisting of the balance sheet, the statement of cash flows, showing the income and expenses of the organisation, and the mission report illustrating the items in the balance sheet, the economic and financial performance of the organisation and the way in which the statutory aims are pursued. The financial statements shall be prepared and filed in accordance with the instructions of paragraphs 3, 6 and 7 of Article 13 of Legislative Decree 117/2017. If the revenues, returns or income however denominated, exceed one hundred thousand euros per year, the Association shall undertake, pursuant to Article 14 of Legislative Decree 117/2017, to publish its financial statements, any emoluments, remuneration or consideration for any reason awarded to the members of the administration and control bodies, managers and members, on its website or on the website of the network to which it belongs.

The organisation's budget documents are annual and run from 1 January of each year; they are prepared by the Executive Board and approved by the Ordinary Assembly within 4 months of the end of the financial year to which the accounts relate.

DURATION

Art. 6. These articles of association regulate the membership relationship in such a way as to guarantee its effectiveness, expressly excluding the temporary nature of participation in the life of the association and providing members or participants who are of age with the right to vote for the approval and amendment of the articles of association and regulations and for the appointment of the association's governing bodies.

The duration of the Association is unlimited and the Association can only be dissolved by resolution of the Extraordinary General Meeting of Members on the proposal of the Board of Directors, which will also appoint the liquidators.

ORGANS OF THE ASSOCIATION

Art. 7. The organs of the association are:

- a) the Shareholders' Meeting
- b) the Governing Council
- c) the President

MEMBERS

Art. 8. All those who, in possession of proven professional and experiential requirements, can contribute to the growth of the association, in accordance with the object of the present statute, may become members of the Association. Aspiring members share the spirit and ideals of the Association, and intend to take part in the social activities and contribute to the achievement of the social objectives, compatibly with their subjective status. Within the limits established by the laws and regulations, other Third Sector entities may also be admitted as members, participating in the person of one of their representatives:

- name, surname, place and date of birth, nationality, residence and any address for service for the purposes of corporate communications (which may include an e-mail address or other similar address);
- commitment to abide by these articles of association, the internal regulations and the resolutions legally adopted by the corporate bodies;
- commitment to pay the membership fee to be established by a specific resolution
- short informal report attached on the professional and experience requirements of the aspiring partner

Applications for admission as an associate member from minors, persons banned or incapacitated must be countersigned by the person exercising parental authority or guardianship. The parent/guardian who

who signs the application represents the minor to all intents and purposes vis-à-vis the Association and is liable to it for all the obligations of the minor/disqualified or incapacitated member.

Admission is decided by the Board of Directors within 60 days, ratified by the Assembly at the first useful meeting.

Art. 9. Members are required to pay an annual fee, the amount of which is set annually by the Association's Board of Directors. Failure to pay and/or late payment of the membership fee constitutes grounds for the exclusion of the member.

Art. 10 . All members are entitled to:

- participate in all activities promoted by the Association;
- participate in the life of the Association, expressing its vote in the appropriate forums, including for approval and amendment of the Statute and any regulations;
- enjoy active and passive eligibility for the appointment of the Association's governing bodies.

Art. 11. Members are obliged to comply with the Statute, to respect the decisions of the Association's bodies and to respect any internal rules. They carry out their activities towards others in a personal, spontaneous and free way, without profit-making purposes.

Art. 12. Membership is not temporary and is lost by voluntary resignation, expulsion or death. Resignation from membership must be submitted in writing to the Board of Directors and, in the absence of opposition, is effective 30 days after such communication.

Expulsion is envisaged when the member does not comply with the provisions of these Articles of Association and any regulations, is in default of payment of the membership fee to be paid by 30 September of each calendar year, or behaves in a manner that causes material damage or harm to the image of the Association. Expulsion is decided by the Board of Directors, after hearing the justifications of the person concerned, by an absolute majority of its members and communicated by registered letter to the member concerned. The member concerned may appeal against this measure to the Assembly within eight days from the date of the communication of the expulsion. The appeal shall be examined by the Assembly at its first ordinary meeting.

Art. 13. The loss of membership for any reason whatsoever does not entitle the member to a refund of the amount paid to the Association.

Art. 14. The death of a member does not give the heirs any rights within the association.

VOLUNTARY MEMBERS

Art. 15. Volunteer members are those who intend to work for the association free of charge in order to contribute to the achievement of its social aims, in accordance with the relevant laws and regulations.

Those wishing to be admitted as voluntary members of the Association must submit an application containing the following information:

- name, surname, place and date of birth, citizenship, residence and any address for service for the purposes of corporate communications (which may include an e-mail address or other similar address);
- commitment to abide by these articles of association, the internal regulations and the resolutions legally adopted by the corporate bodies;
- specification of the work services available, free of charge, to the association. The Board of Directors is competent to decide on the acceptance of the application, which is entered in the register of members.

The voluntary member may withdraw from the Association at any time by giving written notice, by registered letter, with at least one year's notice.

month, and may be declared excluded from the association in the cases provided for in Article 12 above, compatibly with the particular nature of his membership.

Those who carry out voluntary activities on a non-occasional basis will be entered in a special register. However, a member who occasionally assists the governing bodies in the performance of their duties cannot acquire the status of a volunteer.

Art. 16. The activity of the volunteer cannot be remunerated in any way, not even by the beneficiary. In accordance with the provisions of other laws and regulations, voluntary members are entitled to be reimbursed for expenses actually incurred and documented for the performance of their free service to the Association. These expenses may also be reimbursed on the basis of self-certification pursuant to Article 46 of Presidential Decree no. 445/2000, provided that they do not exceed the amount of 10 euros per day and 150 euros per month. The board of directors decides on the types of expenses and voluntary activities for which this method of reimbursement is allowed. The status of volunteer is incompatible with any form of employment or self-employment and any other paid employment relationship with the association.

Rules of procedure govern the relationship between volunteer members and the Association.

Honorary Members

On the unanimous opinion of the Board of Directors, honorary members may be appointed who have distinguished themselves for their contribution to the Association or who, by virtue of their proven personal qualities and virtues, have distinguished themselves in the field of art and civil progress. Honorary members may be exempted from payment of the membership fee by special resolution; they do not have the right to vote in the assemblies but may attend them and have the right to speak.

THE MEMBERS' MEETING

Art. 18. The Members' Assembly is the sovereign body of the Association; it is composed of all members for whom this status exists at the time of convocation and can be ordinary or extraordinary. All those who have been registered for at least one month in the register of members have the right to vote. The associated Third Sector organisations shall be entitled to one vote, expressed by a representative designated by them.

The Members' Assembly is convened by the President upon resolution of the Board of Directors. The date and agenda of the assembly are communicated to the members at the e-mail address indicated by the members themselves or by other means that the Board of Directors deems appropriate, in accordance with the following procedures: 1) no less than 10 days before the date set, if the communication is sent by e-mail; 2) 8 days if it is sent by registered letter with return receipt; 3) 4 days if it is delivered by hand.

The Assembly shall meet at the Association's headquarters in Naples, piazza Enrico De Leva n°18- Scala E, or in another location to be indicated in the notice of convocation, in the first quarter of each year, to deliberate on the financial statement, the balance sheet and all other general topics included in the agenda at the initiative of the Board of Directors, or at the request of at least five members.

Art. 19. The ordinary Assembly is responsible for the following tasks:

- discuss important issues for the growth of the association;
- appointing or removing members of the corporate bodies;
- electing the President and the Board of Directors and determining the number of their members
- to elect replacements for any Board members who have resigned;
- deliberate on any other ordinary matter of general interest on the agenda;
- approve any rules of procedure;
- approve the budget for the past year;
- deliberate on the liability of members of the corporate bodies and possible liability actions against them;

The Ordinary Assembly, chaired by the President of the Board of Directors who appoints a secretary from among the members, is validly constituted on first call with the presence of 50% plus one of the members, and on second call whatever the number of members present. At least one hour shall elapse between the first and second convocation.

The Ordinary Shareholders' Meeting shall deliberate validly, in both first and second call, with a majority of 50% plus one of those present on all matters on the agenda. In resolutions approving the financial statements and in those concerning their responsibility, directors do not have the right to vote.

Art. 20. The Extraordinary Assembly has the following tasks:

- decide on the transformation, merger and dissolution of the Association;
- deliberate on proposals to amend the Constitutive Act, the Statutes and the internal regulations;
- deliberate on any other extraordinary matter of general interest on the agenda.

The Extraordinary General Meeting is chaired by a President appointed by the General Meeting by simple majority, who in turn appoints a secretary for the minutes from among the members. In order to amend the memorandum and articles of association, the Extraordinary General Meeting shall be validly constituted with the presence of at least three quarters of the members and shall pass resolutions with a majority of 50% plus one of those present.

In order to decide on the dissolution of the Association and the devolution of its assets, the favourable vote of at least three quarters of the members is required.

Art. 21. All assembly resolutions and accounts are duly transcribed in the minute book of the members' assemblies, and are publicised to members by being displayed for seven days at the association's headquarters and by being published on the association's website.

Art. 22. Members may take part in the meeting in person, by delegating another member in writing to represent them, or by participating via videoconference (Skype). The assembly vote is validly expressed by a show of hands of those present. If the number of votes necessary for the legal constitution of the assembly and for the validity of its resolutions is not reached, the session shall be postponed no more than thirty days after the first convocation;

The date of this session may be set in the same notice as the first one. **Art. 23.** The assembly shall deliberate by a majority of votes of the members present, attending by videoconference or represented by means of a regular written proxy issued to another member, provided that he/she is not a director or auditor.

Art. 24. Members meeting in an Extraordinary General Meeting may amend these statutes, but may not change the aims of the association.

THE GOVERNING COUNCIL - THE PRESIDENT

Art. 25. The **Board of Directors is the** executive and management body, it is appointed by the Assembly, acting in implementation of the Assembly's will and general guidelines, it is composed of no less than 3 and no more than 5 members, including the President who is a direct member and is appointed by the Board members themselves.

The directors, within thirty days of being informed of their appointment, must request their registration in the Single National Register of the Third Sector, indicating for each of them the name, surname, place and date of birth, domicile and citizenship, as well as which of them is assigned the representation of the organisation, specifying whether severally or jointly. The Board of Directors meets at least once every four months and at the request of the President or a director. The convocation can be made by e-mail at least four days before the date set for the meeting, or by registered letter at least fifteen days before.

The Board is validly constituted when the majority of its members are present. The determination of the number of members and their appointment are carried out for the first time

in the articles of association. The Executive Board holds office for three years and its members may be re-elected.

In the event of the death or resignation of directors before the expiry of the term of office, the Board of Directors shall replace them by co-option. The directors thus elected remain in office until the next ordinary meeting. If for any reason the number of board members is reduced to less than two thirds, the entire board is considered lapsed and must be renewed. The office of councillor is free of charge.

Art. 26. The Board of Directors is invested with all powers to decide on the initiatives to be taken and the criteria to be followed for the achievement and implementation of the Association's aims and for its ordinary and extraordinary management and administration.

The Executive Board is responsible in particular for

- a) decisions concerning ordinary and extraordinary, operating and capital expenditure for the management of the association;
- b) decisions relating to institutional, complementary and commercial activities and services to be undertaken for the best attainment of the Association's institutional aims, including the provision of specific tasks and duties to be assigned to the Directors for the performance of the Association's activities.
- c) establish the amount of the annual membership fees;
- d) decide on the admission of members;
- e) decisions concerning the management of employees and the coordination of the collaborators and professionals employed by the Association
- f) approval of draft budgets, financial statements and balance sheets, to be submitted to the general meeting;
- g) the preparation of an annual report on activities carried out and objectives achieved to be submitted to the Assembly;
- h) the presentation of a programme plan concerning the activities to be carried out in the new social year;
- i) the right to appoint, from among the members outside the Board, delegates to carry out particular functions established from time to time by the Board itself;
- l) the drafting and approval of Administrative Regulations and proposals for amendments to the Statute to be submitted to the subsequent approval of the Assembly;
- m) any function that the Statute or the Laws do not assign to other bodies.

Art. 27. The Board of Directors appoints a **President** from among its members, who legally represents the Association and performs all acts that commit it externally, and who remains in office for the entire duration of the Board.

The **President** chairs the Assembly and the Board of Directors and provides for their convocation, supervises the execution of the resolutions of the Assembly and the Board of Directors and, in cases of urgency, may exercise the powers of the Board of Directors, subject to ratification by the latter at the first useful meeting.

The Executive Board meets as often as necessary, at the initiative of the President or at least one of the Board members, and in any case not less than once every three months.

Art. 28. Resolutions of the Board of Directors are taken by a majority of votes of the Board members present. In the event of a tie, the President shall have the casting vote.

The Council's deliberations are valid if at least one quarter of the councillors take part in the meeting, including by videoconference.

Art. 29. The signature and legal representation of the association before any judicial and administrative authority and before third parties are conferred on the President. The President, who is the legal representative of the Association, may be delegated some of the powers vested in the Board of Directors.

Art. 30. The Board of Directors shall be dissolved by the simultaneous resignation of half plus one of its members. In this case, the President or, subordinately, the oldest Director, shall

convene the Extraordinary General Meeting within fifteen days to be held within the following thirty days, taking care of the ordinary administration.

ASSETS AND FINANCIAL YEAR

Art.31. The economic resources of the organisation are made up of:

- contributions from members and/or individuals;
- contributions from the State, Community institutions, public bodies or institutions aimed exclusively at supporting specific and documented activities or projects;
- contributions from international organisations;
- donations and testamentary legacies;
- reimbursements from conventions;
- revenue from marginal commercial and production activities, to be included under a special heading budget.

Art.32. The Association is forbidden to distribute, even indirectly, profits and surpluses as well as funds, reserves or capital during its life, unless the destination or distribution is imposed by law.

The Association is obliged to use any profits or surpluses for the implementation of its institutional activities.

RESPONSIBILITY OF THE ASSOCIATION

Art. 33. The Association shall be liable, with its own economic resources, for damage caused by non-compliance with the agreements and contracts entered into.

FINAL PROVISIONS

Art. 34. For disputes between the members, or between the members and the association or its bodies, except those that by law cannot be settled by arbitration, the decision will be referred to the judgement of three arbitrators, two of whom are to be appointed by each of the disputing parties and the third by common consent. In the event of failure to reach agreement, the Executive Board shall instruct the President of the Court where the Association has its registered office to appoint the third arbitrator.

Art. 35. For anything not expressly provided for in these Articles of Association, please refer to the relevant laws in force.

These Statutes were approved by the founding members at the time of the Constitutive Act.