

FOUNDATION FOR BOTANICAL RESEARCH (FBR)

TITLE I

OBJECT AND PURPOSE

Art. 1 - Constitution, name, duration and registered office

1. There is hereby established, pursuant to Article 14 *et seq.* of the Civil Code, the "**Botanical Research Foundation**," hereinafter referred to as the "Foundation" for the sake of brevity.

2. The Foundation is of unlimited duration and may be dissolved, by resolution of the Board of Directors, when it proves impossible to continue pursuing the purposes set forth in these By-laws or its purposes are to be considered exhausted, or sufficient resources cannot be achieved for the purpose of achieving its stated purposes.

3. The Foundation, which carries out its activities in Italy and internationally, has its registered office in Milan, Italy, at the address determined by the Board of Directors, and may establish branch offices and other offices by resolution of the Board of Directors.

4. The Foundation shall be governed and regulated by the provisions of these By-laws and, to the extent not expressly provided for herein, by the provisions of applicable laws, and in particular, Presidential Decree No. 361 of February 10, 2000.

Art. 2 - Institutional purpose

1. The Foundation is a private non-profit organization that aims to support scientific research applied to the study of the evaluation of the safety and efficacy of plants and their derivatives (hereinafter, "botanicals") and subsequent dissemination of knowledge about their properties.

26	2. The Foundation has the following purposes as a priority:	
27	a) the creation of a national and international network of economic/sci-	
28	entific/professional solidarity, among variously interested actors in	
29	the business world and representatives of excellence in academia	
30	and other research institutions;	
31	b) the completion of studies on the safety and efficacy of "botanicals,"	
32	according to current international protocols, and the development of	
33	new protocols that do not involve the use of animals, for publication	
34	in international journals, in order to contribute to national and inter-	
35	national debate;	
36	c) supporting and co-financing the recruitment of deserving young re-	
37	searchers in the manner allowed by law;	
38	d) the study, implementation and evaluation of products and processes	
39	focused on the enhancement of "botanicals," which also promote	
40	sustainability understood in its broadest sense, i.e., on the environ-	
41	mental, safety, social and economic levels;	
42	e) the study and sharing among variously interested operators and en-	
43	tities, of inputs on reporting requirements and best reporting criteria	
44	on biodiversity and ecosystems, to facilitate the best representation	
45	of biodiversity impacts, including in the phases of procurement;	
46	f) the sharing and dissemination of knowledge and experience and co-	
47	operation and collaboration with the national and international sci-	
48	entific community through conferences, seminars, publications in-	
49	cluding international publications and digital channels;	

50	g) the dissemination of scientific-experimental findings at organiza-	
51	tions, enterprises, associations and bodies variously interested in the	
52	development of fields related to the use and safety of "botanicals."	
53	h) collaboration with all scholars, specialists and technicians necessary	
54	for the high-level implementation of all the Foundation's activities	
55	in Italy and abroad.	
56	3. In pursuit of its purposes, the Foundation may promote aggregations of	
57	the best businesses and associations and national and international socioeco-	
58	nomical and scientific resources to implement, among others, projects aimed at:	
59	- carrying out studies in the areas of safety assessment of herbal prepara-	
60	tions, including considering the matrix effect versus that of individual com-	
61	ponents;	
62	- carrying out studies on the efficacy of herbal preparations for use in health	
63	and wellness products;	
64	- promoting research, development, production and application of innova-	
65	tive technologies aimed at reducing the use of animals in the toxicological	
66	evaluation of substances and preparations;	
67	- funding projects of excellence in basic research, with special reference to	
68	"botanicals."	
69	- promoting and/or participating in fair trade and environmentally sustain-	
70	able projects nationally and internationally for the maintenance and protec-	
71	tion of biodiversity;	
72	- carrying out education, training, qualification and refresher activities in	
73	the field of technology and science, with special emphasis on young people;	

74	- providing special awards and scholarships in relation to Italian and inter-	
75	national best practices in the field of the Foundation's topics of interest to	
76	talented young researchers;	
77	- promoting and organizing events, conferences, meetings, managing the	
78	publication of related proceedings or documents, as well as all initiatives	
79	and events suitable for providing a broad dissemination of scientific	
80	knowledge around the Foundation's fields of interest;	
81	-disseminating through publications and media/social media channels, in-	
82	cluding digital media, the results of studies and research for the purpose of	
83	better consumer knowledge and correct information on the use of "botani-	
84	cals" and the results of studies and research, countering incorrect and un-	
85	truthful advertisements;	
86	- developing guidelines, technical standards, and recommendations in these	
87	and related fields.	
88	4. The Foundation may carry out all actions and enter into all contractual	
89	transactions necessary and useful for the realization of its purposes, either di-	
90	rectly or indirectly, also by granting assignments to third parties.	
91	5. In order to achieve its institutional purposes, the Foundation shall take	
92	all initiatives and carry out all operations deemed necessary. In particular, in	
93	order to achieve the objectives indicated in the sections above, it may:	
94	- establish cooperative relationships with national and international bod-	
95	ies and institutions;	
96	- participate in tenders or enter into agreements of any kind for the award	
97	of activities or provision of services from public and private funds;	
98	- directly support any activity that is useful for the achievement of its	

99	aims;	
100	- carry out, in accordance with its institutional purposes, business activi-	
101	ties and ancillary activities, exercising them directly or through compa-	
102	nies, consortia or entities;	
103	- make movable or real property investments for proper financial man-	
104	agement;	
105	- promote the establishment of other related or connected entities, or join	
106	them if promoted by others and deemed suitable overall in relation to its	
107	objectives, attaching their financial statements to its own;	
108	- promote the establishment of or participate in already established com-	
109	mercial businesses, consortia or bodies, including second-tier ones, for	
110	the pursuit of the statutory purposes, attaching their financial statements	
111	of these to its own;	
112	- take any initiative, including those not contemplated herein, useful for	
113	the achievement of its institutional purposes, which is not contrary to	
114	the law or in conflict with the clauses of these By-laws.	
115	TITLE II	
116	FOUNDERS and SUPPORTERS-ASSETS	
117	Art. 3 - Founders, Sponsors and Supporters	
118	1. The Founders are:	
119	- the Italian Society of Applied Sciences in Plants and Health Products	
120	(SISTE),	
121	- ASSOERBE,	
122	-	
123	2. Public bodies and other bodies recognized by public law, legal persons and	
124	individuals, as well as collective entities, including those without legal person-	
125	ality, which submit an application to join the Foundation and contribute to the	

126	assets with a cash contribution totaling no less than 60,000.00 euros and in any	
127	case determined according to quantification criteria that will be established in	
128	a resolution of the Board of Directors, or of goods and/or services of equivalent	
129	value, shall acquire the status of Sponsors. The determination of the value of	
130	the goods and/or services is made on the basis of market prices or by means of	
131	a specific expert estimate.	
132	3. The status of Supporters shall be acquired by public bodies and other bodies	
133	governed by public law, legal persons and natural persons, as well as collective	
134	bodies, including those without legal personality, which submit an application	
135	for membership in the Foundation and contribute to the assets with a contribu-	
136	tion of not less than 5,000.00 euros in total for natural persons and 10,000.00	
137	euros for other entities, and in any case determined according to quantification	
138	criteria to be established in a resolution of the Board of Directors, or of goods	
139	and/or services of equivalent value. The determination of the value of the goods	
140	and/or services is made on the basis of market prices or by means of a specific	
141	expert estimate.	
142	4. It is the responsibility of the Foundation's Board of Directors to accept ap-	
143	plications from Sponsors and Supporters; in no case may applications that do	
144	not expressly state that they share the purposes of the Foundation and that do	
145	not entail the aforementioned total payment commitments be considered.	
146	5. Persons who fail to fulfill their commitments or adopt conduct that is incom-	
147	patible with the duty of collaboration with the other members of the Foundation	
148	or contrary to the inspiring principles of the Foundation shall lose their status	
149	as Founders, Sponsors or Supporters. Exclusion is resolved by the Board of	
150	Directors, which shall also take action in the case of the extinction of the subject	

151	or the occurrence of situations that do not allow for the continuation of the	
152	founding and membership relationship. Exclusion may also be adopted in the	
153	case of serious violations of the Code of Ethics.	
154	6. The subject who intends to withdraw must notify the Foundation's Board of	
155	Directors in writing.	
156	7. The excluded party or the withdrawing party, in accordance with the legal	
157	nature of the Foundation, shall not be entitled to any liquidation or return of the	
158	sums or dues however paid.	
159	Art. 4 - Assets	
160	1. The Foundation's assets initially consist of the Founders' contributions	
161	described in the articles of incorporation and include the guarantee fund of	
162	30,000.00 euros and unrestricted assets of 70,000.00 euros.	
163	2. The assets may be increased:	
164	- with funds from calls for proposals and research projects;	
165	- with real property and/or related rights, movable property and sums con-	
166	tributed by Founders and Supporters, including by way of donations, as well	
167	as by those who support the Foundation's initiatives and programs;	
168	- with donations or disbursements from third parties, public agencies, pri-	
169	vate entities and individuals who share the purposes of the Foundation;	
170	- with annuities and interest produced by the capital;	
171	- with the surpluses resulting from the conduct of initiatives undertaken	
172	in accordance with these By-laws.	
173	3. Any donations and testamentary bequests shall be accepted by the	
174	Board of Directors, possibly with benefit of inventory, and the Board shall de-	
175	cide on their use, in accordance with the statutory purposes of the Foundation.	

176	TITLE III	
177	ORGANIZATIONAL STRUCTURE	
178	Article 5 - Bodies of the Foundation	
179	1. The following are bodies of the Foundation:	
180	- the Board of Directors;	
181	- the President;	
182	- Vice President;	
183	- the Statutory Auditors or the Independent Auditor;	
184	- the Technical Scientific Committee.	
185	Art. 6 - Board of Directors	
186	1. The Foundation is governed by a Board of Directors consisting of three	
187	to eleven members appointed by the Founders, including the President and Vice	
188	President. In the case of Sponsors and Supporters, at least one member must be	
189	designated by each category.	
190	2. When renewing the management body, within three months after the	
191	expiration of the three-year term, the President convenes the Board of Directors	
192	to determine the number of members and sends the request for nominations to	
193	the Founders, Sponsors and Supporters.	
194	3. In the event that a member of the Board of Directors ceases to hold of-	
195	fice during their term, the President shall convene the Board of Directors in	
196	order for it to appoint a new member to that office; the members appointed as	
197	substitutes shall remain in office until the original expiration date.	
198	4. The Board of Directors may delegate the performance of particular du-	
199	ties to one or more members, specifying the object, limits and duration of the	
200	delegation; it may also assign the title of Secretary and Treasurer to any of the	

201	members, as well as appoint a Managing Director.	
202	5. Members of the Board of Directors hold office for three years and their	
203	terms expire with the approval of the financial statements for the last financial	
204	year of their term. They are eligible for reappointment one or more times.	
205	6. Members of the Board of Directors shall cease to hold office due to ex-	
206	piration of their term, death, supervening incapacity, resignation or revocation	
207	by the appointing party. Revocation may be ordered by the appointing party	
208	without the need for justification or notice. The revoked member shall be enti-	
209	tled only to reimbursement of expenses incurred and/or compensation accrued	
210	up to the time of revocation.	
211	Article 7 - Powers of the Board of Directors	
212	1. The Board is responsible for both ordinary and extraordinary admin-	
213	istration. In particular, it shall:	
214	- implement and realize the institutional purposes expressed in the Foun-	
215	dation's Articles of Incorporation and By-laws, in accordance with di-	
216	rectives and lines of activity consistent with relevant laws and regula-	
217	tions;	
218	- accept the membership of Sponsors and Supporters, in compliance with	
219	the requirements of Article 3;	
220	- prepare the final financial statement and the accompanying report, and	
221	if a resolution is passed to prepare a budget forecast, prepare that docu-	
222	ment;	
223	- draw up and amend the Internal Regulation, if any;	
224	- deliberate on all initiatives to implement the By-laws and the programs	
225	decided on;	

226	- deliberate on the acceptance of donations and testamentary bequests;	
227	- adopt resolutions on such changes in the By-laws as may be necessary	
228	and appropriate and on the dissolution of the Foundation, to be submit-	
229	ted to the competent trustee authority for approval in the manner pre-	
230	scribed by law;	
231	- make decisions regarding the conclusion of contracts, including em-	
232	ployment contracts, and agreements necessary for the conduct of activ-	
233	ities;	
234	- validate measures taken in cases of urgency by the President;	
235	- request nominations from eligible persons for members of the next	
236	Board of Directors and appoint members of the Technical Scientific	
237	Committee;	
238	- deliberate on the possible payment of emoluments to members of the	
239	Foundation's bodies (including in the form of attendance fees or reim-	
240	bursement of documented expenses).	
241	Article 8 - Validity of Meetings, Minutes and Resolutions	
242	1. The Board of Directors meets at least twice a year, and in addition, it	
243	must be convened when requested by at least two of its members.	
244	2. The Board of Directors meetings shall be valid with the presence of an	
245	absolute majority of the Board members. Upon ascertaining the validity of the	
246	meeting, the Chairman shall propose the appointment of the Secretary, includ-	
247	ing from among persons outside the Board admitted to the meeting.	
248	3. It is permissible for meetings of the Board of Directors to be held with	
249	attendees located in several places, adjacent or distant, and with audio/video	
250	connection by means of telecommunications. In such a case, the meeting shall	

be considered held in the place where the Chairman and Secretary are located, in order to allow the drafting of the minutes, signed by both of them. Moreover, all participants must be able to be identified and must be allowed to follow the discussion, to intervene in real time in the discussion of the topics addressed and to receive, transmit or view documents.

4. The Board of Directors shall be convened, without any obligation of form provided the means are suitable to establish proof of receipt by the addressee, by written notice containing the agenda, to be delivered to all Directors, by the President, at least five days before the date of convocation. In case of urgency, the convocation may also be three days in advance.

5. In any case, the Board of Directors shall be considered duly-constituted when, even in the absence of the formality referred to in paragraph 4) above, all the directors are present.

6. Resolutions of the Board of Directors shall be passed by an absolute majority of those present; in case of a tie, the vote of the President shall prevail.

7. The minutes of the Board of Directors, signed by the Chairman and Secretary of the meeting, are to be recorded in special registers.

Art. 9 - President

1. The President of the Foundation is responsible for:

- the legal representation of the Foundation;
- convening, presiding over, and determining the agenda of the Board of Directors;
- ensuring the execution of the resolutions of the Board of Directors;
- taking any appropriate action, in case of urgency, to be submitted as soon as possible to the Board of Directors.

276	2. The President, as the legal representative of the Foundation, has the	
277	power to perform and carry out all acts implementing the institutional purposes,	
278	as well as to make payments, collections, open bank accounts and perform all	
279	other acts necessary for management.	
280	3. The President may grant powers of attorney to the Managing Director	
281	or other members of the Board of Directors to perform individual acts, subject	
282	to approval or subsequent ratification by the Board.	
283	4. In the event of the vacancy, absence or impediment of the President, the	
284	functions of ordinary administration shall be performed by the Vice President.	
285	Art. 10 - The Statutory or Independent Auditor	
286	1. The Founders and the Sponsors appoint the Statutory Auditors or the	
287	Independent Auditor, with the abstention of those who are members of the	
288	Board of Directors.	
289	2. The Statutory Auditors or the Independent Auditor oversee compliance	
290	with the law and the By-laws, respect for the principles of proper administra-	
291	tion, and in particular, the adequacy of the organizational, administrative and	
292	accounting structure adopted by the Foundation and its actual functioning. They	
293	shall also:	
294	- exercise accounting control and verify, during the course of the financial	
295	year and usually on a quarterly basis, the proper keeping of the company's	
296	accounts and the correct recording of the management events in the ac-	
297	counting records;	
298	- check whether the annual financial statements correspond to the ac-	
299	counting records and whether these records comply with the rules govern-	
300	ing them;	

301	- express an opinion on the annual financial statements in a specific re-	
302	port;	
303	- verify the correspondence of the accounting operations to the corre-	
304	sponding resolutions and/or regulations.	
305	3. When elected as a board, the Board of Statutory Auditors shall consist	
306	of three acting members and two alternate members, and shall elect a Chairman	
307	from among themselves, when not indicated by the Sponsors and Supporters.	
308	They shall hold office for three financial years and members may be reap-	
309	pointed one or more times.	
310	4. Without prejudice to the function of accounting control, the Statutory	
311	Auditors or the Independent Auditor may be assigned the independent audit in	
312	cases where it is required by law.	
313	5. Minutes of each meeting shall be drawn up and recorded in the Statutory	
314	Auditors' or Independent Auditor's book kept by the same.	
315	Art. 11 - Technical Scientific Committee	
316	1, The Technical Scientific Committee is the cultural and scientific refer-	
317	ence body of the Foundation and is chaired by the President of the Foundation,	
318	or by a person designated by the same, and also supports the Foundation in its	
319	relations with the academic and research world. It is responsible for formulating	
320	proposals and initiatives for the broader implementation of the statutory pur-	
321	poses, to be submitted to the Board of Directors for approval. It is also compe-	
322	tent to express opinions on issues brought to its attention by the Board itself, or	
323	identified independently.	
324	2. It is the advisory body of the Foundation, and in particular:	

325	(a) manages the technical-scientific and research aspects with regard to the ac-	
326	tivities of the Foundation;	
327	b) performs a technical-advisory function on the annual or multi-year program	
328	of the Foundation's initiatives;	
329	c) provides advisory opinions on specific aspects of individual activities and	
330	initiatives of major importance at the request of the Board of Directors.	
331	3. The Technical Scientific Committee consists of a variable number of	
332	members, from three to eleven, including those from outside the Foundation	
333	and appointed by the Board of Directors, which upon appointment, also decides	
334	on their number.	
335	4. The Technical Scientific Committee remains in office for three financial	
336	years, and all members lapse with the expiration of the Board of Directors, even	
337	if they have not reached the three-year term of office. It meets at least once a	
338	year to express an opinion on the activities carried out and to formulate the	
339	program of activities to be proposed to the Board of Directors.	
340	5. The minutes of the Technical Scientific Committee are recorded in the	
341	appropriate register.	
342	TITLE IV	
343	REVENUES AND FINANCIAL STATEMENTS	
344	Art. 12 - Revenues	
345	1. The Foundation provides for its operation through:	
346	- annuities and interest derived from its assets referred to in Article 4;	
347	- contributions, grants and donations from Founders, Sponsors and Sup-	
348	porters;	
349	- contributions and donations from third parties not expressly earmarked	

350	for increase of the assets;	
351	- the management outcomes of the activity carried out in connection with	
352	the pursuit of the institutional purpose;	
353	- income from commercial activities and/or any sponsorships.	
354	Art. 13 -	
355	1. The financial year of the Foundation coincides with the calendar year	
356	and extends from January 1 to December 31. A final financial statement shall	
357	be prepared for each financial year.	
358	2. By March of each year, the Board of Directors must be convened to	
359	prepare the final financial statement.	
360	3. The financial statement shall be approved by the Board of Directors	
361	within four months after the end of the financial year, or within six months if	
362	special reasons require it, to be spelled out in a resolution of the Board of Di-	
363	rectors.	
364	TITLE V	
365	FINAL PROVISIONS	
366	Article 14 - Internal Regulation	
367	1. In order to regulate the organization, define the operating structures, and	
368	provide all the necessary provisions for the execution of these By-laws, the	
369	Foundation may adopt Internal Regulation, prepared by the Board of Directors.	
370	2. In a special section of the Regulation, the procedures for the disburse-	
371	ment of any scholarships and grants may, among other things, be outlined, as	
372	well as the criteria for identifying and selecting the beneficiaries of those schol-	
373	arships and of the initiatives promoted by the Foundation.	
374	Art. 15 - Code of Ethics	

375 1. The Foundation adopts its own Code of Ethics and Conduct.

376	2. The Code of Ethics is adopted by the Board of Directors after the man-
377	datory favorable opinion of the Technical Scientific Committee.

378 **Article 16 - Dissolution**

379	1. In the event of dissolution, the Board of Directors shall proceed to ap-
380	point one or more liquidators. The remaining assets, at the end of the liquidation
381	procedure, shall be donated to other bodies pursuing the same purposes as the
382	Foundation, after consultation with the Authority that granted the recognition
383	of legal personality.

384 **Article 17 - Distribution of operating surplus**

385	1. In view of the purpose of the Foundation and its legal nature, it is pro-
386	hibited to distribute profits or operating surpluses, as well as funds, reserves or
387	capital during the life of the Foundation.

388 **Article 18- Reference to laws**

389	1. For matters not expressly contemplated and governed by these By-laws,
390	the provisions of the Civil Code and relevant laws shall apply.