

**ARTICLES OF ASSOCIATION OF
STICHTING ELEMENTAL WATER FOUNDATION**
(unofficial translation)

having its seat in the municipality Delft, as these read after the execution of the deed of incorporation executed on 4 August 2017 before a legal substitute for P.H.N. Quist, civil law notary in Amsterdam.

The foundation is registered in the Dutch trade register under number 69350426.

1. NAME AND SEAT

1.1. The name of the foundation is: Stichting Elemental Water Foundation.

1.2. The foundation has its seat in the municipality of Delft.

2. OBJECT

2.1. The object of the foundation is:

(a) to enable safe and affordable fresh water on a global scale through projects that provide water using desalination, preferably driven by renewable energy, for people that face water scarcity;

(b) to provide and finance water systems and to perform services in connection therewith, which systems make water to be sold or granted to the local community and from which possible proceeds the operational costs of such water systems and the possible repayment of the water systems itself can be done; and

(c) to undertake all that is connected to the foregoing or in furtherance thereof,

all in the widest sense of the words.

2.2. The foundation strives to realize this object through, amongst others, fundraising by organizing meetings and social activities and to give information and further explanation to its projects.

2.3. The foundation does not aim to make any profits.

2.4. The funds of the foundation may include:

(a) contributions of those who sympathize with the objects of the foundation;

(b) contributions of those in whose interest the foundation operates;

(c) financial aid and donations;

(d) gifts, testamentary dispositions and legacies;

(e) any other earnings.

- 2.5. The assets of the foundation will be used for purposes of realization of the objects of the foundation.
- 2.6. The foundation holds no more assets as is reasonably considered necessary for the continuity of the provided services for the realization of the objects of the foundation.

3. MANAGEMENT

- 3.1. The foundation shall be managed by a board, consisting of at two (2) board members A and two (2) board members B.
- 3.2. The board shall appoint the board members by resolution adopted with an absolute majority of the votes validly cast in a meeting in which all board members are present or represented.
- 3.3. The board members shall be appointed for a period of four (4) years, provided that such period shall be prolonged until the day of the first annual meeting to be held after the period has expired.

A retiring board member can be re-appointed immediately, with due observance of the provisions of article 3.2.

- 3.4. A board member shall retire:
 - (a) pursuant to retirement if he is not re-appointed, notwithstanding the provisions of article 3.2;
 - (b) by his resignation;
 - (c) by death;
 - (d) by placement under guardianship (*ondercuratelestelling*);
 - (e) by the loss of the free disposition over his assets;
 - (f) by dismissal ordered by the Court;
 - (g) if the board consists of at least three (3) members, by dismissal by a board resolution adopted unanimously by all board members in position, excluding the board member concerned;
 - (h) by dissolution of a board member that is a legal person, or by a legal merger or demerger coming into effect to which the board member being a legal person is a party as the disappearing entity.
- 3.5. In case one or more board members are absent or prevented from acting, the board shall continue to be a competent body, and the management of the foundation shall be performed by the other board members, without prejudice to the obligation to fill the vacancy or vacancies as soon as possible.

In case all board members are absent or prevented from acting, each interested party shall be authorized to request court to appoint a board member, who will provide for the

appointment of one or more board members in accordance with the provisions of article 3.2, without delay.

- 3.6. The board members shall not derive benefits from the foundation except for a compensation by means of an attendance fee arrangement to be determined by the board within the permissible fiscal limits.

The expenses reasonably incurred by the board members in the performance of their duties shall be reimbursed to them.

4. INTERNAL RULES, DUTIES OF THE BOARD

- 4.1. The board shall elect from its midst a chairman, a secretary and a treasurer.

The positions of secretary and treasurer may be held by the same person.

- 4.2. The board may adopt internal rules regulating its decision-making process, the allocation of duties within the board and the frequency of its meetings.

5. REPRESENTATION

- 5.1. The board shall represent the foundation, to the extent the law does not provide otherwise.

- 5.2. The authority to represent the foundation is also vested in a board member A and a board member B acting jointly.

- 5.3. The board may grant a board member and/or one or more third parties an incidental or a continuous power of attorney to represent the foundation.

The power of attorney and its restrictions shall be laid down in writing.

6. BOARD MEETING

- 6.1. The board shall meet at least once a year and furthermore as often as either the chairman or at least two other board members deem necessary or as provided for in the internal rules referred to in article 4.2.

- 6.2. The agenda for the annual meeting shall at least contain the following items:

- (a) the adoption of the annual accounts over the past financial year;
- (b) the written management report over the last financial year; and
- (c) the granting of discharge to the board members.

- 6.3. Meetings of the board shall be convened by the chairman or by the secretary on behalf of the chairman.

If the chairman does not act on a request of at least two (2) other board members to convene a meeting in such a way that the meeting takes place within four weeks, the board members making the request shall be entitled to convene the meeting themselves.

- 6.4. Convocations shall be made in writing (including all forms of transmission of written text and by electronic means) stating the items to be discussed. The convocation shall be sent on the fifteenth day prior to the day of the meeting to be held at the latest.

In case of urgency, such at the discretion of the chairman, this term may be shortened to six days.

- 6.5. If a meeting is not convened with due observance of the applicable term, or any item to be discussed is not stated in the convocation, the meeting cannot adopt any valid resolution or on such item to be discussed respectively, unless it is adopted unanimously at a meeting in which all board members are present or represented.

- 6.6. The meeting shall be chaired by the chairman of the board. In case of his absence without appointing another board member to be the chairman of the meeting, the meeting shall be chaired by a person designated by the meeting itself.

- 6.7. Minutes of the proceedings at each meeting shall be taken by the secretary or by another person designated for that purpose by the chairman of the meeting.

The minutes shall be adopted by the board. This is evidenced by the signatures of the chairman and the person taking the minutes.

7. DECISION MAKING PROCESS OF THE BOARD

- 7.1. Each board member shall be entitled to cast one vote.

- 7.2. Board members may have themselves represented at a meeting by another board member by way of a written power of attorney issued for that specific meeting.

The holder of such power of attorney is only authorized to vote with respect to the subjects as listed in the power of attorney.

- 7.3. The board member who has a personal interest that may conflict with the interest of the foundation, shall forthwith inform the chairman of the board thereof.

A board member shall not participate in the deliberations and the decision making process of the board with respect to a subject for which the chairman of the board is of the opinion that such board member has a direct or indirect personal interest that may conflict with the interest of the foundation.

If one or more board members have a conflict of interest as referred to above, the board shall nevertheless be authorized to adopt the resolution. The board shall document all considerations on which the adoption of such resolution is based.

- 7.4. The chairman shall determine in which manner voting shall be effected. In the event of an election of persons, any person present may require that the votes shall be cast by written ballot.

- 7.5. Valid resolutions shall be adopted by an absolute majority (more than half) of the votes validly cast, provided that at least one (1) board member B votes in favor on such proposal.

In the event of a tie in voting, the proposal shall be rejected.

Blank votes and invalid votes shall be considered null and void.

- 7.6. The board may also hold a meeting by telephone or by electronic means and adopt resolutions, provided that the use of the electronic means by this board member enables the identification of the board member and enables the board member to directly take note of the discussions at that meeting and participate in the deliberations of that meeting.

The discussions in such board meeting by telephone or by electronic means shall be laid down in writing by the chairman or the person designated by him, which minutes shall be sent to all board members.

- 7.7. The board may also adopt resolutions without convening a meeting, provided that all board members in office are consulted in this respect and do not oppose to this decision making process.

8. FINANCIAL YEAR, FINANCIAL AUDIT, RENDERING ACCOUNT

- 8.1. The financial year of the foundation shall be the calendar year.

- 8.2. The foundation may not maintain more capital than is reasonably necessary for the continuity for the planned activities for the purpose of the object of the foundation.

- 8.3. The board shall maintain records of the capital position of the foundation and of anything regarding its activities, in accordance with the requirements arising from such activities, and to keep the relevant books, records and any other data carriers in such a manner that the rights and obligations of the foundation can be assessed at any time.

- 8.4. Annually within six months following the close of the financial year of the foundation, the board shall prepare annual accounts. This period may be extended by four months due to extraordinary circumstances. The annual accounts and the other information related thereto and the financial report, to the extent required by Dutch law, shall be open for inspection at the offices of the foundation for all board members.

The annual accounts shall be signed by all board members. If the signature of one or more of them is lacking, this shall be stated specifying the reason therefor.

- 8.5. If the board so desires, the annual accounts shall be audited by an expert, to be designated by the board, who may inspect the books of the foundation.

The designated expert shall inform the board on his findings in writing.

- 8.6. The annual accounts shall be adopted by the board within one month after the period referred to in article 8.4 has lapsed.

- 8.7. After the proposal to adopt the annual accounts has been dealt with, the proposal will be made to the board to discharge the board members in respect of their conduct of management during the relevant financial year, as appears from the annual accounts and all that has been said in relation thereto in the board meeting.

- 8.8. The annual accounts will be published on the website of the foundation, within six (6)

months after the end of the financial year.

- 8.9. The board shall keep the books, records and other data carriers with due observance of the period referred to in section 2:10 of the Dutch Civil Code.

9. AMENDMENT OF THE ARTICLES OF ASSOCIATION, MERGER, DEMERGER AND DISSOLUTION

- 9.1. The board is authorized to amend the articles of association of the foundation, to enter into a legal merger or demerger, or to dissolve the foundation.

A resolution to amend the articles, to conclude a legal merger or demerger or to dissolve the foundation is adopted with three fourths of the votes validly cast in a meeting in which all board members are present or represented.

- 9.2. An amendment of the articles, a legal merger or a demerger shall be effected by the execution of a notarial deed under penalty of nullity.

Each board member is authorized to have the deed of amendment of the articles executed.

- 9.3. The board members shall file each relevant change in the trade register.

- 9.4. Liquidation shall be effected by the board, unless the board appoints one or more other liquidators.

- 9.5. The foundation shall continue to exist after its dissolution, if and to the extent necessary for the liquidation of its affairs.

- 9.6. During the liquidation, the articles shall remain effective to the extent possible.

- 9.7. In the event of dissolution the surplus shall accrue to one (or more) public benefit organizations with similar objectives as the foundation or another foreign organization, which exclusively or almost exclusively focuses its efforts on the public benefit and has similar objectives as the foundation.

- 9.8. After the liquidation has been completed, the books, records and other data carriers of the dissolved foundation shall remain in the possession of a person to be appointed by the board for that purpose for the period of time provided by law.

10. FIRST FINANCIAL YEAR

The first financial year of the foundation shall end on the thirty-first of December two thousand and eighteen.

This article, together with its heading, shall expire after the first financial year.