

BY-LAWS OF THE SLoCaT FOUNDATION

Board Approved October 2016

Brief Description of Terms used in By-Laws:

- a. **Annual Support Fee:** a financial contribution, or a measurable in-kind contribution made by members of the SLoCaT Partnership to the SLoCaT Foundation
- b. **Board:** the Board of Directors of the Foundation
- c. **Board Member:** a Member of the Board of the Foundation;
- d. **Constitution:** legal instrument, which defines the governance of the Foundation
- e. **He or his:** refers to persons associated with the Foundation or its Board whereby “he” and “his” are understood to refer to either a male or a female person;
- f. **in writing or written:** by letter, fax or e-mail or in the form of a message transmitted by any other generally accepted means of communication and capable of being reproduced in-writing;
- g. **Independent Board Members;** class of Board members who are appointed by the Board with the aim to increase diversity (gender, regional representation) in the SLoCaT Board and to encourage independent perspectives on sustainable transport in Board discussions;
- h. **SLoCaT Chairperson,** Board member that is elected by the other Board members to chair the Board of the SLoCaT Foundation. It is understood that this function can be shared by more one than person if the provisions on sharing the position outlined in these By-laws are observed;
- i. **Secretary General:** An individual who serves as the external face of the SLoCaT Partnership and who mandated by the Board of the SLoCaT Foundation guides the activities of the SLoCaT Secretariat with oversight from the Board of the SLoCaT Foundation
- j. **SLoCaT Foundation:** A not for profit, entity that can receive funding on behalf of the SLoCaT Partnership and use such funds to support the objectives of the SLoCaT Partnership
- k. **SLoCaT Partnership:** An informal, non-legal and non-binding, multi-stakeholder partnership established in 2009 based on the principles of the World Conference on Sustainable Development in 2002 in Johannesburg, South Africa

- l. **SLoCaT Partnership Annual meeting:** An annual event, mostly in January of each year, where the work program of the SLoCaT Partnership is determined. The highest decision making body of the SLoCaT Partnership
- m. **SLoCaT Partnership Members:** Organizations that have signed up as a member of the SLoCaT Partnership (currently documented at www.slocat.net/members/by-name) and based on this are eligible to be represented on the Board of the SLoCaT Foundation and take part in the vote for such representatives
- n. **SLoCaT Secretariat:** An administrative entity, mandated by the Board of the SLoCaT Foundation, that services the SLoCaT Partnership and the SLoCaT Foundation
- o. **Supporters SLoCaT Foundation:** Organizations, in the majority of cases also members of the SLoCaT Partnership that have opted to provide financial assistance to the SLoCaT Foundation and based on this are eligible to be represented on the Board of the SLoCaT Foundation and take part in the vote for such representatives. Classified in Gold, Platinum and Diamond Supporters. Provided that a Supporter of the SLoCaT Foundation is also a member of the SLoCaT Partnership, they will also be accorded the full rights of a SLoCaT member organization that pays an Annual Support fee, including the right to vote, or be a candidate for the SLoCaT Board representing this class of members to the SLoCaT Partnership.

1. Trade Name

- a. The Stichting “Sustainable, Low Carbon Transport (SLoCaT) Foundation” will trade under the name Sustainable, Low Carbon Transport (SLoCaT) Foundation or under the name SLoCaT Foundation.

2. The Relationship between the SLoCaT Partnership and the SLoCaT Foundation and the continued role of the SLoCaT Partnership, its Membership and its Functioning.

2.1. SLoCaT Partnership Represents Sustainable, Low Carbon Transport Community

- a. The SLoCaT Partnership will continue to act as the primary collective public face of sustainable, low carbon transport community. This is not the role of the SLoCaT Foundation. As indicated in the Constitution of the SLoCaT Foundation the sole objective of the SLoCaT Foundation is to enable, facilitate and support the Partnership on Sustainable, Low Carbon Transport (SLoCaT) in promoting sustainable, low carbon transport. Based on this all SLoCaT branding including website, log, newsletter(s), email addresses will reflect the SLoCaT Partnership and not the

SLoCaT Foundation. The public persona of the SLoCaT Foundation will be limited to contractual issues.

2.2. Linkage between the SLoCaT Partnership and the SLoCaT Foundation

- a. All members of the SLoCaT Partnership by joining; renewing or continuing their membership; agree that the SLoCaT Partnership will be enabled, facilitated and supported by the SLoCaT Foundation, which is established for this sole purpose. The SLoCaT Foundation will enable, facilitate and support the SLoCaT Partnership through the SLoCaT Secretariat
- b. All SLoCaT Partnership members will as part of their membership of the Partnership agree to provide active support (financial, in-kind, or moral) to the SLoCaT Foundation, which enables, facilitates or supports the Partnership
- c. The members of the SLoCaT Partnership agree that the Board of the SLoCaT Foundation has the mandate to accept new members of the SLoCaT Partnership and to cancel the membership in case members no longer meet the requirements for membership of the SLoCaT Partnership
- d. All Partnership members agree that the SLoCaT Foundation has the right to raise and administer funds in support of the implementation of the objectives of the SLoCaT Partnership
- e. A Secretary General, who will be selected and appointed by the Board of the SLoCaT Foundation, will represent the SLoCaT Partnership externally
- f. The members of the SLoCaT Partnership will have the ability to guide the activities of the SLoCaT Foundation through: (i) representation by Four of their members in the Board of the SLoCaT Foundation; (ii) inputs to the development of the Business Plan of the SLoCaT Foundation; and (iii) periodic consultations with the Board of the SLoCaT Foundation on the implementation of the Business Plan of the SLoCaT Foundation.

2.3. Status and Objectives of the SLoCaT Partnership

- a. This is the continuation of the existing Type 2, non –legal, non-binding partnership under the UN.
- b. The goals of the SLoCaT Partnership are:
 - Contribution of sustainable, low carbon transport is acknowledged in the post 2015 global development agenda and associated goals
 - Sustainable, low carbon transport is recognized as being a necessary part of climate change action and UNFCCC processes encourage efforts from Parties on sustainable, low carbon transport

- Developing countries and cities take action on realizing sustainable, low carbon transport

2.4. Functioning of the SLoCaT Partnership

- a. Activities of the SLoCaT Partnership are guided by the annual work program discussed at SLoCaT's annual meeting, held annually in a place and time agreed upon by the Board of the SLoCaT Foundation but usually held in January of each year in Washington DC.
- b. The annual meeting of the SLoCaT Partnership will be chaired by the Chairperson of the Board of the SLoCaT Foundation (see below). The agenda will be prepared by the SLoCaT Secretariat; members of the SLoCaT Partnership will be invited to propose agenda points prior to or during the meeting. The agenda will be circulated to the members of the SLoCaT Partnership at least two weeks before the meeting, in addition to being posted on www.slocat.net also at least two weeks before the meeting.
- c. Minutes of the annual meeting will be drawn up by the Secretary of the SLoCaT Foundation and will be circulated by email for comments within fifteen days after the meeting. A final set of minutes of the meeting will be posted on www.slocat.net within thirty days of the meeting.
- d. The Board of the SLoCaT Foundation will review the minutes of the SLoCaT Partnership Annual Meeting at its first meeting following the SLoCaT Partnership Annual Meeting to determine any follow-up by the SLoCaT Foundation to the conclusions and recommendations of the SLoCaT Partnership Annual Meeting

3. Membership of the SLoCaT Partnership

- a. Membership of the SLoCaT Partnership intends to be a reflection of major constituencies working on sustainable transport: UN organizations; Multilateral and Bilateral Development Organizations; Representative organizations of the transport sector; NGOs, Foundations and Charities; academe; and private sector organizations. It is understood that as long as organizations are committed towards the membership criteria of the SLoCaT Partnership that they can be admitted as members, unless otherwise agreed by the Board of the Foundation.
- b. Criteria for SLoCaT Partnership membership:
 - i. Endorse the goals of SLoCaT Partnership – integration of Sustainable, Low Carbon Transport in global discussions on sustainable development and climate change and in policies and investments of developing countries and cities
 - ii. Work at the global, regional or national level on Sustainable, Low Carbon Transport

- iii. Willingness to exchange information and to undertake joint action in support of the SLoCaT Partnership's objectives
 - iv. For new members joining after July 1 st, 2016, endorse the SLoCaT Partnership Members Charter
- c. Organizations interested in becoming a member of the SLoCaT Partnership shall contact the SLoCaT Secretariat. The SLoCaT Partnership only has organizational membership and does not admit individual members. The SLoCaT Secretariat carries out a screening of potential members and recommends acceptance or rejection of the membership application, on a no-objection basis by e-mail, to the Board of the SLoCaT Foundation. If one or more Board Members object to accepting or rejecting a member the membership application will be discussed in the first upcoming meeting of the Board of the SLoCaT Foundation. The SLoCaT Partnership delegates the authority to admit new members to the SLoCaT Partnership to the Board of the SLoCaT Foundation. The Board of the SLoCaT Foundation will have the option to admit members on a provisional basis for the period of one year after which it is evaluated whether this should be converted into a full membership.
- d. Membership can be terminated if so desired by the member of the Partnership or through a decision of the Board of the SLoCaT Foundation based on recommendation of the Secretary General. Ground for termination of membership include non-payment of the Annual Support fee or actions taken by the SLoCaT Partnership member in question that run counter to the objectives of the SLoCaT Partnership. An organization whose membership has been terminated can appeal in writing to the Board of the SLoCaT Foundation who may reconsider their decision to terminate. They may also ask that their case is put (by email) to the members of the SLoCaT Partnership. If a simple majority of SLoCaT members who respond to this appeal (by email) respond that membership should be continued, membership will be continued.
- e. In the case of cancellation of membership no reimbursement of the Annual Support Fee made by the member of the SLoCaT Partnership will be made.

4. Annual Support Fee

4.1 Rationale Annual Support Fee and Exceptions to Payment of Annual Support Fee

- a. Members of the SLoCaT Partnership agree to the SLoCaT Partnership having an Annual Support fee for members of the SLoCaT Partnership, which is contribution towards the costs of the operation of the SLoCaT Secretariat and amongst others help to maintain the SLoCaT website and SLoCaT's quarterly Newsletter, as well as to prepare and organize the SLoCaT Partnership annual meeting.

- b. Members of the SLoCaT Partnership agree that the Annual Support fee applies in principle to all the members of the SLoCaT Partnership. They agree however that the Board of the SLoCaT Foundation will be granted the authority to waive in part or in full the payment of the Annual Support Fee if requested by a member of the SLoCaT Partnership. It is understood that a request for full or partial waiver of the payment of the Annual Support Fee can be made because of legal or internal administrative rules (organizations not being allowed to formally join and pay a support fee); or in selected cases because the organization lacks the financial resources to pay the Annual Support Fee in full or in part. It is understood that private sector firms, unless in exceptional circumstances will be not be able to obtain a waiver for the Annual Support Fee. Organizations that have received a full or partial waiver will be able to take part in full, in an unrestricted manner in the activities of the SLoCaT Partnership.
- c. The members of the Partnership request the Board of the Foundation to be fair but consistent in deciding on a full or partial waiver of the Annual Support Fee. In those cases that a request for full or partial waiver of the Annual Support Fee concerns the organization of a Board Member of the Foundation such Board Member will exclude himself from the discussions.
- d. The Secretary General will have on a selective basis the authority to waive either in part or in full the annual support fees for new members joining the SLoCaT Partnership for up to a maximum of 2 years. Such waivers will be documented and become part of the records of the SLoCaT Partnership and Foundation. This arrangement will make it possible for new potential members of the SLoCaT Partnership to familiarize themselves with the SLoCaT Partnership and its activities.

4.2. Size of the Annual Support Fee and type of payment

- a. The Annual Support Fee will be US\$500 for organizations with an annual budget of less than US\$2,000,000, or US\$1,000 for organizations with an annual budget of over US\$2,000,000. For organizations with a multitude of activities covering different sectors only the transport related part of the budget will be counted. It will be up to the members of the SLoCaT Partnership to determine their annual transport related budget. Payments are net of fees and charges.
- b. The Board of the SLoCaT Foundation will review the size of the Annual Support Fee every two years and if so required revise it.
- c. In certain cases it is possible to request payment through a measurable in-kind contribution to a SLoCaT event or project that is part of the approved Business Plan of the SLoCaT Foundation. The Secretary General will refer the decision to approve an in-kind contribution as payment of the Annual Support Fee to the Board of the SLoCaT Foundation in those cases where the proposed in-kind contribution is not directly related to a specific program or event in the SLoCaT Work Program. Those cases referred to the Board will be with a recommendation to accept/reject the in-kind contribution and such recommendations will be on a no-objection

basis, meaning that if the Board has no objection the recommendation will automatically be translated in a Board decision within a given time frame.

- d. New organizations joining the SLoCaT Partnership from January 1st to June 30th will pay 50% of the Annual Support Fee.

4.3. Payment of Annual Support Fee

- a. The Annual Support Fee will be paid in an account that the Foundation has established for that purpose unless there is a written approval from the SLoCaT Secretariat to pay the Annual Support fee directly to a Third Party as part of an in-kind support payment arrangement.
- b. The principal bank account of the SLoCaT Foundation will be in the Netherlands.
- c. Annual Support Fees need to be paid by March 31th of each year. If contribution is not received by June 30st, or if a full or partial waiver for payment of the Annual Support Fee has not been requested and granted, the member of the SLoCaT Partnership can be suspended by the Board of the SLoCaT Foundation and ultimately removed from the Membership List of the SLoCaT Partnership.

4.4. Recognition and Acknowledgement of Payment of the Annual Support Fee to the SLoCaT Foundation

- a. All financial contributions will be listed in the annual financial report

4.5. Due Process with respect to prevention of money laundering through payment of annual support fee

- a. The SLoCaT Partnership will make required efforts to ensure that any funds received in payment of the annual support fee will not be associated in any form or shape with money laundering. It will do so through a vetting process of candidate members of the SLoCaT Partnership to determine the legal status of the organization and the track record of the organization in implementing sustainable, low carbon transport activities. It will be guided in such a review by on-line guidelines as provided e.g. in the Anti-Money Laundering Manual for Non Governmental Organizations and Charities issued by the US Department of the Treasury (<http://www.treasury.gov/press-center/press-releases/Documents/0929%20finalrevised.pdf>)

5.1. Categories of SLoCaT Foundation Supporters

- a. To qualify as a supporter of the SLoCaT Foundation and to qualify for membership of the Board of the SLoCaT Foundation, and to vote for this class of Board members make use of the associated entitlements in terms of participation in the governance of the SLoCaT and the recognition as an official supporter of the SLoCaT Foundation organizations will provide:
- b. Unrestricted funding of at least US\$ 10,000 per year; or equivalent amount for events or projects included in the SLoCaT Foundation's Annual Business Plan over a 12 month period, to qualify as a Gold Supporter of the SLoCaT Foundation;
- c. Unrestricted funding of at least US\$ 25,000 per year; or equivalent amount for events or projects included in the SLoCaT Foundation's Annual Business Plan over a 12 month period, to qualify as a Platinum Supporter of the SLoCaT Foundation;
- d. Unrestricted funding of at least US\$ 50,000 per year; or equivalent amount for events or projects included in the SLoCaT Foundation's Annual Business Plan over a 12 months period, to qualify as a Diamond Supporter of the SLoCaT Foundation.
- e. Determination of the status of supporting organization will be made based on the calendar year. In the case of an in-kind contribution that stretches across multiple years the SLoCaT Secretariat will work out a mutually satisfactory arrangement to record the support provided with the organization making the contribution. Where required this will be submitted to the Board for approval.
- f. Organizations who decide to become a supporter of the SLoCaT Foundation are strongly recommended to join the SLoCaT Partnership, if they have not already done so. It is possible however that an organization decides to become a supporter of the SLoCaT Foundation, without joining the SLoCaT Partnership.
- g. Those SLoCaT Partnership Members that are recognized as a Gold, Platinum or Diamond supporter of the SLoCaT Foundation based on their financial or measurable, in-kind contribution to the SLoCaT Foundation will have their Annual Support Fee to the SLoCaT Partnership waived for the period that they are listed as Gold, Platinum or Diamond supporter of the SLoCaT Foundation.

5.2. Payment of Support to SLoCaT Foundation

- a. All support to the SLoCaT Foundation will be paid into the account(s) of the SLoCaT Foundation established for that purpose. All Support Fees for the SLoCaT Foundation will be paid into the account(s) of the SLoCaT Foundation established for that purpose unless there is a written approval from the SLoCaT Secretariat to pay the Support fee in full or in part directly to a Third Party as part of an in-kind support payment arrangement.
- b. The principal bank account of the SLoCaT Foundation will be in the Netherlands.

5.3. Recognition and Acknowledgement of Support to the SLoCaT Foundation

- a. The organizations that contribute towards the functioning and operations of the SLoCaT Foundation, and qualify for Gold, Platinum or Diamond status will be listed separately on the SLoCaT website, SLoCaT newsletter and in official events of the SLoCaT Partnership.

5.4. Due Process with respect to prevention of money laundering through payment of support to the SLoCaT Foundation

- a. The SLoCaT Partnership will make required efforts to ensure that any funds received from supporters of the SLoCaT Foundation will not be associated in any form or shape with money laundering. It will do so through a review of potential supporters to the SLoCaT Foundation to determine the legal status of the organization and the track record of the organization in implementing sustainable, low carbon transport activities. It will be guided in such a review by on-line guidelines as provided e.g. in the Anti-Money Laundering Manual for Non Governmental Organizations and Charities issued by the US Department of the Treasury (<http://www.treasury.gov/press-center/press-releases/Documents/0929%20finalrevised.pdf>)

6. Impartiality Committee

6.1 Purpose of Impartiality Committee

- a. The SLoCaT Foundation, in all of its functioning will ensure that it represents all groups that have an interest in sustainable, low carbon transport in an impartial and balanced manner.
- b. To help ensure the impartiality of the SLoCaT Foundation an annual review of the governance and functioning of the SLoCaT Foundation will be carried out by an independent committee. The report of the Impartiality Committee (IC) including its recommendations will be presented for discussion at the Annual Meeting of the SLoCaT Foundation and circulated for comments to the entire SLoCaT membership .

6.2 Composition of Impartiality Committee

- a. The IC will be composed of three persons, whereby one of the members will be the Chairperson of the IC;
- b. The members of the IC will need to comply with the following requirements:
 - i. They have not been actively involved in the activities of the SLoCaT Partnership or the SLoCaT Foundation;

- ii. They are familiar with the functioning of multi-stakeholder partnerships in support of sustainable development albeit not in the area of sustainable transport;
 - iii. They commit themselves to be balanced and unprejudiced in their interaction with stakeholders linked directly or indirectly to the SLoCaT Partnership and SLoCaT Foundation.
- c. The SLoCaT Foundation will issue an Expression of Interest Call to solicit candidates for the IC. In addition, it is also possible for the SLoCaT Foundation to approach possible candidates. The Board of the SLoCaT Foundation will approve the final selection of the members of the IC.

6.3 Objectives of the Impartiality Committee

- a. The overall objective of the IC is to assess the impartiality of the SLoCaT Foundation in terms of its governance and functioning. As part of this the IC 's review will include but not necessarily be limited to:
- i. Review the governance structure of the SLoCaT Foundation. This will be a two step approach whereby the functioning and implementation of the existing governance structure is reviewed and followed by possible recommendations, and as a second step the IC may recommend changes in the governance structure of the SLoCaT Foundation;
 - ii. Review the financing structure of the SLoCaT Foundation (Annual Support Fees and Contributions by SLoCaT supporters). Specific focus of attention is whether organizations providing financial support to the SLoCaT Foundation are deriving undue influence from this. The IC may recommend changes pertaining to the financial structure of the SLoCaT Partnership or the manner in which SLoCaT supporters are involved in the activities of the SLoCaT Partnership and SLoCaT Foundation.
 - iii. Review of the functioning of the SLoCaT Secretariat. The IC may recommend changes pertaining to the structure and the positioning (including possible hosting arrangements).

6.4 Functioning and Reporting of the Impartiality Committee

- a. The IC will carry out its activities based on the review of relevant documents as well as interviews with persons selected by the IC.
- b. The SLoCaT Secretariat will provide assistance to the IC, when and where requested by the IC.
- c. Expenses in support of the discharge of duties by the IC, e.g. phone calls, will be reimbursed. Members of the IC can receive a honorarium for their efforts. When considered useful the travel cost of the Chairperson of the IC to the Annual Meeting of the SLoCaT Partnership will be reimbursed. (Presentation of the results by video-conference can also be considered).

- d. The draft Report of the IC will be submitted first to the Board, following which the IC will address possible comments from the Board of the SLoCaT Foundation before the draft Report is presented to the members of the SLoCaT Foundation. Once possible comments from members will be incorporated the draft final report will be submitted to the Board of the SLoCaT Foundation, who will make decisions on the possible recommendations by the IC.
- e. The Report and a summary of the Board discussions and decisions will be made available to the public with the restriction that references to specific organizations or persons may be deleted.

7. Composition, Functions and Election Procedures Board SLoCaT Foundation

7.1 Composition of SLoCaT Foundation Board

- a. A thirteen person board will oversee the functioning of the SLoCaT Foundation. The Foundation aims to have a regional, gender, and stakeholder balance. However, it is acknowledged that this might not always be possible.
- b. Board members shall meet the following qualifications:
 - i. Strong affinity with sustainable, low carbon transport and personal knowledge of or experience in the development and implementation of sustainable, low carbon or sustainable development policies and programs;
 - ii. Well-developed appreciation of the need of a multi-sectoral approach to sustainable, low carbon transport and having present or prior association with the national or local government, civil society, private sector, media or development organizations;
 - iii. Good understanding of the challenges of managing a newly-independent organization including associated financial processes; and
 - iv. Strong network in the area of sustainable, low carbon transport, climate change policy and development cooperation.
- c. The Board will have five representatives from those Partnership members in good standing that qualify as members of the SLoCaT Partnership. There will be no distinction made between those SLoCaT Member organizations paying the Annual Support Fee and the SLoCaT members who have been granted full or partial waiver. It is understood that organizations with a Gold, Platinum or Diamond Supporter status who are members of the SLoCaT Partnership can also propose persons to be elected from amongst this category of SLoCaT Partnership members as Board Members of the SLoCaT Foundation. Organizations that are member of the SLoCaT Partnership can only be represented by one person on the Board, even if such an organization is also represented in the membership of the SLoCaT Partnership through a program or Foundation directly linked to such an organization.

- d. The board will have four representatives from organizations that provide financial or measurable in-kind support to the operations of the SLoCaT Foundation (US\$10,000, US\$ 25,000, or US\$50,000) per year. No distinction will be made in terms of eligibility for serving in the Board of the SLoCaT Foundation based on the level of contribution and linked status as Gold, Platinum or Diamond Supporter.
- e. The board will also have four members who are independent. This will allow SLoCaT to strive for greater diversity in terms of gender and regional representation in the Board. It can also facilitate a more inclusive discussion of new ideas on sustainable transport since the independent Board members will not be beholden to any specific organization or constituency. These independent Board members can be selected from an organization that is either a SLoCaT Partnership member or a Supporter of the SLoCaT Foundation, or from an organization not connected to SLoCaT. Independent Board Members are not elected but appointed by the sitting Board of the SLoCaT Foundation.
- f. Board members serve as private persons on the Board although it is understood that they are part of an organization working on sustainable transport and that, in the case of Board members elected by the members of the Partnership or the supporters of the SLoCaT Foundation they are nominated by their respective organizations either as representatives of the membership of the SLoCaT Partnership or as representatives from organizations with a status as Gold, Platinum or Diamond Supporter of the SLoCaT Foundation. However, in a case of conflict between a Board Member's position and the interest of the SLoCaT Foundation and the SLoCaT Partnership, the latter should prevail over the interest of the organization he represents

7.2. Terms of Office for Board Members

- a. Each Board member shall serve for a term of two (2) years and may be re-elected for a maximum of one (1) successive term. Board Members shall serve for staggered terms, such that the term of office of two (2) or three (3) Board Members shall expire every year. Independent Board Members will also serve for a term of two (2) years and can be reappointed for a maximum of one (1) successive term. Elections shall therefore be conducted each year for two (2) or three (3) (as the case may be) new members of the Board. Upon establishment of the SLoCaT Foundation the initial Board Members will decide in mutual consultation the Board Members whose terms will expire after two years and those Board Members whose terms will expire after three years, which may result in the initial Board Members serving terms of more than two years. Failure to reach an agreement satisfactory to all will result in a binding decision by the Chairperson regarding the Board Members whose terms might expire.
- b. The Members of the Board named in the Constitution of the SLoCaT Foundation shall serve as Board members of the Foundation after establishment until their successors are elected as provided in these by-laws.

- c. In case any vacancy or vacancies of elected Board Members should occur in the Board, due to any cause, except expiration of term of a Board Member, such vacancy or vacancies may be filled following a vote to do so by at least a majority of the remaining Board Members, if still constituting a quorum of half the Board Members plus one. The said vacancy or vacancies will be filled by election from Partnership Members in good standing or the supporters of the SLoCaT Foundation (meeting the requirements for Gold, Platinum or Diamond Supporter) whereby a departing Board member will be replaced by a similar category Board Member (i.e representative SLoCaT Partnership or Supporter of SLoCaT Foundation, or independent Board Member. The Board Member so elected, to fill a vacancy, shall act as Board Member of the Foundation for the unexpired term of said vacant seat/s. The election of a Board Member under these provisions shall be considered as one full term, for purposes of determining his eligibility for re-election for possibly one additional term. If the remaining Board members no longer constitute a quorum, such vacancy must be filled by qualified voting organizations representing the SLoCaT Partnership or the Gold, Platinum or Diamond Supporters in a special by-election called for that purpose. A written notice to all Members shall be made by the Board, and served within one (1) week from the designation of the new Board Members. Such notice shall be sent by e-mail and will be posted on the website of the Partnership on Sustainable, Low Carbon Transport (www.slocat.net).

7.3. Election of Board Members

- a. Board members of the SLoCaT Foundation will be elected from among qualified organizations (those that have paid, or are committed to pay their Annual Support Fee and those that have the Annual Support Fee waived in full or in part or have applied for such waiver) representing the SLoCaT Partnership members and Gold, Platinum and Diamond Supporters of the SLoCaT Foundation. Independent Board Members are appointed by the Board and are not subjected to election.
- b. The schedule of the Elections, a determination of how many Board members will be elected will set by the sitting Board, taking into account the provisions of the Constitution of the SLoCaT Foundation and these By-laws. It is up to the discretion of the Board to set the exact schedule for elections of Board members. It is not required that elections for Board members representing the SLoCaT Partnership take place at the same time as Board members representing the Supporters of the SLoCaT Foundation, or at the same time that independent Board Members are appointed.
- c. An Election Committee, set up for this purpose, consisting of members of the SLoCaT Partnership who are not standing for election, will oversee the election of Board members of the SLoCaT Foundation. This Election Committee may also include members of the Board of the SLoCaT Foundation, provided that they are not up for re-election or the organization they

represent will not field a candidate. The election process will be facilitated by the SLoCaT Secretariat and may be conducted by email.

- d. The election of Board Members for the SLoCaT Foundation will have the following steps:
 - i. Soliciting and appointment of members of a three person Election Committee. This Election Committee will be in place for one year and oversee the election of Board members in that year. Terms of the members of Election Committee can be extended up to two terms of one year. The Board of the SLoCaT Foundation will appoint the Election Committee. To establish the first Board of the SLoCaT Foundation in 2014 the Election Committee is appointed by the Ad-Hoc Committee overseeing the establishment of the SLoCaT Foundation.
 - ii. Supervised by the Election Committee the SLoCaT Secretariat will determine eligible organizations to be represented in the Board representing the SLoCaT Partnership and the Gold, Platinum and Diamond Supporters of the SLoCaT Foundation. The results will be communicated by email to the SLoCaT Partnership members. A period of two week for possible appeals will be observed. Decisions on a possible appeal will be taken by a simple majority in the three person Election Committee
 - iii. Soliciting of candidates Board Members representing the SLoCaT Partnership and the Gold, Platinum and Diamond Supporters of the SLoCaT Foundation will follow whereby the number of open positions on the Board will be set by the number of Board Members leaving the Board.
 - iv. In case the number of candidates for given category of Board Members is not larger than the number of available seats no election is required and the candidates in that specific category will be considered elected.
 - v. Elections are conducted through digital ballot sent out by the SLoCaT Secretariat on behalf of the Election Committee. Ballots for the seats representing the SLoCaT Partnership will be sent to all members of the SLoCaT Partnership in good standing:
 - All Partnership members who have paid, or pledged to pay, the Annual Support Fee, including the Gold, Platinum and Diamond Supporters to the Foundation as well as Members who have received, or applied for a partial or full waiver for Annual Support Fee, will receive a ballot to vote for the open Board positions representing SLoCaT Partnership Members.
 - The Gold, Platinum and Diamond Supporters of the SLoCaT Foundation will receive a ballot to vote for open Board positions representing the supporters of the SLoCaT Foundation.

- vi. The filled out ballots will be received by the Chairperson of Election committee, who will share the results of the election through the Secretary of the Foundation with the members of the Partnership and the Supporters of the Foundation. Any change in the Board of the SLoCaT Foundation will also be reflected on the website of the SLoCaT Partnership
- e. In the eventuality that a Board Member no longer meets the criteria for membership of the Board (Constitution Article 5.6 a-e), the remaining members of the Board may decide not to fill the vacancy till the next scheduled election of the Board, or providing there is a qualified and interested candidate, that through a interim election a new Board member is selected and appointed.
- f. In case a Board member is no longer directly associated with the organization he was at the time of his election, such Board member will in consultation with the organization that he was associated with either decide to serve the remainder of his term or designate a permanent proxy for the remainder of his term. This, unless the organization in question would indicate that the Board seat will be abandoned, in which case the provisions of article 7.2.c will apply.

7.4. Board Meetings

- a. Notice of a Board meeting shall be given to all Board Members in writing preferably twenty-eight days but no later than the tenth day before the day of the meeting by the Secretary acting on behalf of the Secretary General or the Chairperson of the Board.
- b. SLoCaT Partnership Members may by written requests to the Chairperson or any Board Member ask the Board to address an issue at an upcoming board meeting. They should be informed of the results or any outcome of their discussions within 10 days of the aforementioned meeting
- c. The notice of a Board meeting shall include the agenda for the meeting. Any agenda items not announced in the notice of meeting may be announced subsequently including at the start of the Board meeting.
- d. The Board Members or Secretary General convening the meeting shall determine the venue of the meeting.
- e. A Board Member may arrange to be represented at a meeting by a fellow Board Member holding a written proxy or by another person provided that the Board Member has designated such person as proxy and informed the Board through the Secretary of the Foundation in writing at least three days prior to the meeting. A Board Member may not represent more than one fellow Board Member at a meeting. Other persons may be admitted to a meeting by a majority vote of the Board Members attending the meeting.

- f. The minutes shall be furnished by email to the Members of the Board as soon as possible, but in no case later than ten working days following a Board meeting. The minutes shall be approved by the Board at a subsequent meeting, or by email, and shall be signed upon their approval by the Board as a true and accurate record by the chair and the Secretary of the Foundation. The minutes shall be available at the address where the Secretary General of the Foundation keeps his office for inspection by all the Board Members. A copy of or an extract from these documents shall be furnished to each of them upon request.

8. Chairperson and Treasurer of the SLoCaT Foundation

- a. The Members of the Board will elect a Chairperson and a Treasurer from amongst their midst.
- b. There is a possibility for two Board Members to jointly perform the functions of the Chairperson. If this is so decided by the Members of the Board the two elected persons will be named co-Chairs of the Board. Such co-Chairs will have the same term of office and if for whatever reason one of the two co-Chairs will no longer act as co-Chair the position of the Chair will be considered vacant and a new Chairperson of the Board will be elected. In case the Board decides to elect two persons as co-Chairs these two persons will jointly agree on how to exercise the role of Chairperson of the Board and record this in a document that will be submitted for approval in the first Board meeting immediately following their election. Pending the approval of this document that lays out detailed arrangements for all functions performed by the Chairperson; the youngest of the two co-Chairs will be considered to be the Chairperson of the Board.
- c. The Chairperson and/or the Treasurer may be removed at any meeting by the concurrence of the vote of seven (7) Board Members.
- d. The Board may appoint such other officers and delineate their powers and duties as the Board shall find necessary to manage the affairs of the Foundation and document their tasks in these By-Laws.

8.1. Chairperson

- a. The Chairperson shall preside at all meetings of the Board, at which he shall be present. In those cases where the votes in a meeting of the Board are tied, the vote of the Chairperson shall be the decisive vote.
- b. Unless otherwise determined by the Board and subject to such limitations or guidelines which the Board may issue from time to time, he shall have full power and authority to vote, on behalf of the Foundation, in person or by proxy at any meeting of any institution in which the SLoCaT Foundation is represented.

- c. Foundation on all matters of interest to them and shall have all such other powers and duties as the Board may prescribe from time to time.
- d. He shall provide written signed authorization, to the Secretary General, which together with authorization originating from the Treasurer to the Secretary General, authorizes the signing of all checks, drafts, notes and orders for the payment of money against the funds of the SLoCaT Foundation in amounts above US\$150,000.00.
- e. The Chairperson can delegate his powers to another member of the Board through a written letter of authorization specifying the length of time for delegation of powers as well as the specific nature of powers delegated. This person, for the duration of the delegated powers shall be known as the Acting Chairperson.

8.2. Treasurer

- a. The Treasurer will be a member of the Board. Subject to the provisions of these By-Laws, and to such regulations as may from time to time be fixed by the Board, the Treasurer shall have custody of the funds and securities of the Corporation. He shall likewise oversee the financial procedures in the SLoCaT Secretariat on behalf of the Board.
- b. He shall provide written signed authorization to the Secretary General for all checks, drafts, notes and orders for the payment of money against the funds of the Foundation in amounts in excess of US\$50,000.00.
- c. Jointly with the Secretary General, he shall be responsible for the opening and handling of the bank accounts of the Foundation.
- d. He shall oversee the preparation of the Annual Financial Statement of the Foundation.

9. Secretary

- a. The Secretary, who may or may not be a member of the Board, shall take and keep true minutes of all meetings, give notice of all meetings to members of the Board, have custody of the corporate seal, notify the Board members of their election, and in general, perform all duties incident to the office of Secretary and such other duties as may be assigned to him by the Secretary General, or the Board.
- b. Specifically, he shall:
 - i. Send out notification of meetings of the Board preferably twenty-eight days but no later than the tenth day before the day of the meeting

- ii. Keep an accurate record of the resolutions and proceedings of each meeting of the Board, together with a record of the names of persons present, and provide copies of such resolutions and proceedings to members of the Board no later than 10 working days following the meeting. Upon approval of the minutes of the meeting co-sign the minutes together with the Chairperson as true and accurate record of the meeting;
- iii. Send out notifications for the Annual Meeting of the SLoCaT Partnership, solicit inputs for the Agenda of the Annual Meeting of the SLoCaT Partnership, draft the minutes and circulate for comments to the members of the SLoCaT Partnership and upon their finalization transmit to the members of the Board of the SLoCaT Foundation.
- iv. Ensure the distribution to the Board of quarterly and annual reports prepared by the Secretary General;
- v. Oversee the recording of any correspondence to and from the Foundation, and ensure that the Board is kept informed of such correspondence as instructed by the Board.
- vi. Ensure that the activities of the SLoCaT Partnership and Foundation are reflected in a true and complete manner on the website of the SLoCaT Partnership (www.slocat.net).

10.0 Secretary General

10.1. Tasks of the Secretary General

- a. The Secretary General, who will not be a Board member, shall have the general care and supervision of the day to day business and affairs of the SLoCaT Foundation the SLoCaT Partnership. He shall have other powers incident to the office of the Secretary General and such other duties and powers as the Board may fix by resolution. Specifically:
 - i. He shall represent the Foundation in and execute all contracts and agreements entered into for and on behalf of the Foundation, by authority of the Board, expressed in a general or special resolution or other written instruments;
 - ii. Jointly with the Treasurer, he shall be responsible for the opening and handling of the bank accounts of the Foundation;
 - iii. He shall, while subject to the provisions of these By-laws, sign all checks, drafts, notes and orders for the payment of money against the funds of the Foundation in amounts up to US\$50,000.00, following receipt of written authorization from the Treasurer sign all checks, drafts, notes and orders for the payment of money against the funds of the Foundation in amounts in excess of US\$50,000 to US\$150,000 and following receipt of written authorization from the Chairperson and Treasurer sign all checks, drafts, notes

and orders for the payment of money against the funds of the Foundation in amounts above US\$150,000.00;

- iv. He shall appoint and remove as he may deem necessary, any employee and agent of the Foundation, to determine, fix and change their compensations, subject to the salary bands and benefits determined by the Board.
- v. He shall, with the approval of the Board, lease, or otherwise acquire for the Corporation rights and privileges of properties, and he shall solicit grants for the projects of the Foundation and manage, conserve and invest the funds of the Foundation in line with the instructions and guidance provided by the Board;
- vi. He shall have general and active management of the affairs of the Foundation, but he may delegate in whole or in part this function and notify such to the Board in the following quarterly report;
- vii. He shall be responsible for the performance and financial monitoring of all projects and activities funded by the Foundation. He shall submit to the Board quarterly financial reports within thirty (30) days from the close of each quarter, and, within sixty (60) days from the close of each financial year a complete report of the operations of the Foundation for the preceding year.
- viii. He shall have the power to engage technical consultants and advisors as needed to perform the functions of the Foundation;
- ix. He shall implement and ensure that the policies and decisions of the Board, are properly executed and complied with;
- x. He shall be responsible for the procurement and disbursement of funds for all projects and activities funded by the Foundation in compliance with these By-laws and other guidance provided by the Board;
- xi. He shall submit to the Board for approval all project proposals with a value of: (i) more than US\$25,000 and less than US\$150,000, on a no-objection basis, and (ii) equal to or more than US\$150,000.00, for Board approval, Provided: he shall review and approve all project proposals with a value of up to US\$25,000;

10.2. Selection and Appointment of the Secretary General and Term of Office.

- a. Selection and appointment of the Secretary General takes place through the Board of the SLoCaT Foundation following the advice of a special Board Committee. Such a Board Committee will include at least one representative from the Board members representing the SLoCaT Partnership, one member representing the supporters of the SLoCaT Foundation and one

independent Board member. In addition, this special Board Committee will include at least two additional persons representing the general SLoCaT Partnership membership. This is to ensure that the interests of the membership of the SLoCaT Partnership are fully reflected in selecting the person representing the Partnership;

- b. The Board Committee has the freedom to decide on what method to use in the selection of a Secretary General. It can make use of direct selection or it can decide to advertise the position.
- c. The Secretary General is appointed for a period of 2 years. Upon satisfactory performance he can be reappointed for multiple two year periods provided there is a periodic review of his performance

11. Conflict of Interest

11.1. Fiduciary Responsibility

- a. Members of the Board and staff, or consultants of the SLoCaT Foundation shall at all times act in the best interests of the SLoCaT Foundation; act with integrity, and avoid any personal conflicts of interest or misuse of SLoCaT Foundation's funds or assets; and not to put himself in a position where his interests conflict with those of the SLoCaT Foundation and the SLoCaT Partnership.

11.2 Disclosure and Desisting from Participation

- a. Members of the Board and staff, or consultants of the SLoCaT Foundation shall disclose all relationships and business affiliations, which may now or in the future potentially conflict with the interests of the organization or bring personal gain to them, and/or an organization where the Board Member has an interest in. The Board Member shall disclose to the Chairperson; and if the Chairperson believes a conflict of interest exists for him, he shall disclose this to the Treasurer.
- b. Whenever a Member of the Board has a personal or organizational interest in a matter to be discussed at a meeting, and whenever a Member of the Board has an interest in another organization whose interests are reasonably likely to conflict with those of the SLoCaT Foundation in relation to a matter to be discussed at a meeting, he must:
 - i. declare an interest before discussion begins on the matter;
 - ii. withdraw from that part of the meeting unless expressly invited by the Chairperson of the Board to remain;
 - iii. in the case of personal interests not be counted in the quorum for that part of the meeting; and

- iv. in the case of personal interests withdraw during the vote and have no vote on the matter.
- c. Whenever a staff member, or a consultant, has reason to believe that he might have a direct or indirect pecuniary or non-pecuniary interest in an activity considered or implemented by the SLoCaT Foundation, he shall disclose this to the Secretary General. The Secretary General will take action on the disclosure; the Secretary General will request the staff to desist from participating in the deliberation concerning the proposed transaction, and determine whether and how the staff can be involved in the decision making or implementation of the matter covered by the conflict of interest
- d. Information disclosed by staff to the Secretary General and disclosed by members of the Board to the Chair person will be held in confidence except when the organization's best interest would be served by bringing the information to the attention of other officers of the organization.

11.3. Determination of Possible Conflict of Interest

- a. Any individual who is uncertain about a conflict of interest in any matter shall disclose such possible conflict to the appropriate individual as noted above.

11.4. Failure to Disclose

- a. Each member of the Board and staff, or consultants of the SLoCaT Foundation should recognize that disclosure of personal and business interest is a requirement for continued membership in the Board or employment with the SLoCaT Foundation, and deliberate failure to disclose a potential conflict of interest shall be considered to have acted contrary to the interests of the Foundation and could result in suspension or removal of the Board member, or termination of employment of the staff, or consulting contract with the Foundation.

12. SLoCaT Secretariat

12.1. Status SLoCaT Secretariat

- a. The SLoCaT Secretariat is formed by those persons working either on a full time or part-time basis, supervised by the SLoCaT Secretary General on the implementation of the SLoCaT Foundation Business Plan
- b. The SLoCaT Secretariat can be directly attached to the SLoCaT Foundation, whereby all staff, including consultants are directly hired by the SLoCaT Foundation, or the SLoCaT Secretariat is

provided in full or in part by a Host Organization through a time-bound agreement with the SLoCaT Foundation.

12.2. Tasks and Functioning of the SLoCaT Secretariat

- a. The SLoCaT Secretariat is the implementing organization for both the SLoCaT Partnership and the SLoCaT Foundation
- b. The SLoCaT Secretariat maintains overview of membership of the SLoCaT Partnership, accepts and reviews applications of new members, administers the receipt of payment of Annual Support Fees as well requests for partial or full waivers for payment of Annual Support Fee
- c. The SLoCaT Secretariat helps plan and organized the Annual SLoCaT Partnership meeting and will prepare the minutes of this meeting and communicate these to the members of the SLoCaT Partnership as well as the Board of the SLoCaT Foundation
- d. The SLoCaT Secretariat develops the SLoCaT Annual Business Plan for the SLoCaT Foundation and prepares periodic reports on its implementation for the SLoCaT Foundation Board
- e. The SLoCaT Secretariat has a lead role in raising of funds for the SLoCaT Foundation and in the administration of such funds on behalf of the SLoCaT Foundation
- f. The SLoCaT Secretariat will take the lead in organizing the implementation of projects and events included in the annual SLoCaT Foundation Business Plan, whereby it will seek active involvement of the members of the SLoCaT Partnership
- g. The SLoCaT Secretariat has a lead role in outreach activities on behalf of the SLoCaT Partnership including the maintenance of the SLoCaT website and other electronic outreach media (e.g. Twitter and SLoCaT newsletter
- h. The SLoCaT Secretariat will also consider other tasks requested by the Board of the SLoCaT Foundation
- i. The SLoCaT Secretariat will facilitate cooperation between SLoCaT members and support fundraising. Whenever a task of common importance can be done by a member or various members together, the SLoCaT Secretariat will not replicate or take over this task.

12.3. Selection of Possible Host Organization for the SLoCaT Secretariat

- a. The SLoCaT Foundation can decide to make use of a host organization to provide the SLoCaT Secretariat services in full or in part. Such a host can be any of the following types of organizations: international organization, private sector company, national or local government, foundation or NGO.

- b. In its decision making on whether to make us of a host organization for the SLoCaT Secretariat and the detailed arrangements for its functioning the Board will ensure that this does not affect in any manner the impartiality of the SLoCaT Foundation. In line with the need for impartiality an organization that will host the Secretariat will not be qualified to be represented in the Board of the SLoCaT Foundation.
- c. The Board of the SLoCaT Foundation will select a possible host organization to provide SLoCaT Secretariat Services either through direct selection or on the basis of competitive bidding. Hosting agreements for the SLoCaT Secretariat will have a duration of at least one year and not more than three years. Hosting agreements can be extended upon review of the performance of the Secretariat
- d. In case of a hosted SLoCaT Secretariat it will have a distinct identity, separate from the host organization, and will be overseen by the SLoCaT Secretary General selected and appointed by the Board of the SLoCaT Foundation
- e. A host organization for the SLoCaT Foundation will ensure that books and records are kept in a manner that is in line with best international practices and the reporting and accounting guidelines of the SLoCaT Foundation as specified in these by-laws
- f. A host organization can raise funds to finance the activities of the SLoCaT Secretariat, based on the understanding that such fundraising activities need to conform with the objectives of the SLoCaT Partnership and Foundation and that if so desired by the Board of the SLoCaT Foundation are routed through the official SLoCaT bank account.

13. Developing policy positions – statements on behalf of the SLoCaT Partnership

- a. The objective of the SLoCaT Partnership is to promote Sustainable, Low Carbon Transport. To accomplish this the SLoCaT Partnership is promoting the integration of sustainable, low carbon transport in global policies on sustainable development and climate change as well as national and local policies on transport. As part of the efforts by the SLoCaT Partnership to realize this objective Open Letters, Responses to Requests for comments are being submitted from time to time on behalf of the SLoCaT Partnership. The following procedure is to be observed by the SLoCaT Secretariat in preparing these positions:
 - i. The SLoCaT Secretariat informs members that it is considering submitting a written position on a given topic. This can be either on the basis of a request from a SLoCaT member or based on own initiative of the Secretariat;

- ii. Volunteers come forward who indicate that they would like to help coordinate the position or organizations put forward information or views for incorporation in the position document by the SLoCaT Secretariat;
- iii. SLoCaT Secretariat integrates all views and information in document. Where relevant they will make use of existing SLoCaT consensus documents that were drawn up following consultations with the SLoCaT membership (e.g. the SLoCaT Results Framework on Sustainable Transport).
- iv. If there are SLoCaT members that have given specific inputs to the development of the position document they will be included in a footnote linked to the first paragraph of the document. The Document will list members of the SLoCaT Partnership in an Annex entitled "SLoCaT membership supporting the Position on xxx". The SLoCaT Secretariat is obliged to circulate position papers that are considered to be sensitive at least once and preferably twice time allowing and offer SLoCaT members the opportunity to opt out of being included in such an Annex. In cases where there is not enough time to consult the wider membership the SLoCaT Secretariat can also consult with the Board of the SLoCaT Foundation for guidance.

14. Planning, budgeting and reporting procedures of the SLoCaT Foundation

14.1 The SLoCaT Foundation annual business plan

- a. The Annual Business Plan of the SLoCaT Foundation is developed based on extensive inputs from the members of the SLoCaT Partnership
- b. The Business Plan of the Foundation will have at least the following components:
 - i. Narrative description of deliverables,
 - ii. A budget, which outlines how these deliverables will be realized; and
 - iii. Organizational arrangements for the implementation of the activities contained in the Business Plan
- c. The Planning Cycle for the development of the Annual Business Plan for the SLoCaT Foundation is:
 - i. The SLoCaT Secretariat prepares in October - November a first Concept of the SLoCaT Annual Work Program, which is reviewed by the SLoCaT Foundation Board before it is presented to the SLoCaT Partnership Annual Meeting;
 - ii. The draft SLoCaT Annual Work Program is discussed in the annual meeting of the SLoCaT Partnership in January in Washington D.C.;

- iii. The SLoCaT Secretariat, based on the discussions and feedback from the SLoCaT Partnership prepares the draft SLoCaT Foundation Annual Business Plan which is discussed and approved by the SLoCaT Foundation Board in May of each year. Prior to the final discussion and approval of the SLoCaT Annual Business Plan the Chairperson and the Secretary General will host a conference call to solicit final comments from the members of the SLoCaT Partnership
- d. The SLoCaT Secretariat prepares brief quarterly reports on the implementation of the Business Plan, which contain recommendations if needed on the modification of the Business Plan for review and approval by the Board of the SLoCaT Foundation. Upon discussion and approval by the Board of the SLoCaT Foundation the quarterly reports as well the revised Business Plan (if changes were made) will be posted on the website of the SLoCaT Partnership.

14.2. Budget

- a. The annual budget of the SLoCaT Foundation will be prepared for initial discussion in the January Board meeting and formal approval in May of each year.
- b. Mid-year update will be prepared for the last Board meeting in each Calendar Year.
- c. The SLoCaT Foundation budget in terms of income will include:
 - i. Annual Support Fees from members of the SLoCaT Partnership/ Unrestricted Contributions from Gold, Platinum and Diamond supporters of the SLoCaT Foundation,
 - ii. funding for specific programs of the SLoCaT Foundation Business Plan
 - iii. Funding for events that are part of the SLoCaT Foundation Business Plan
- d. With respect to (ii) and (iii) the Board will develop and approve a set of criteria what type(s) of event and project funding are acceptable and which not. These will become part of the By-laws of the Foundation and will guide the Secretary General in his/her fundraising activities. These guidelines will also indicate in what circumstances the Secretary General will need to seek clearance from the Board before accepting such resources tied in to specific projects or events.
- e. The SLoCaT Foundation can also accept in-kind contributions. This can include seconding staff on a full time or part time basis, whereby the seconded staff is either working in the SLoCaT Secretariat or on a remote basis. For such an arrangement to be accepted as a genuine contribution, supervision and guidance of the staff needs to be transferred to the Secretary General or his/her staff for the agreed period(s) of secondment.
- f. To enhance the sustainability of the SLoCaT Foundation the aim will be to add each year at least 7.5% of the annual budget to a Reserve provision for the organization, where by the aim is to

build up a Reserve of at least 3 and maximum 6 months of operating expenses for the SLoCaT Foundation and the SLoCaT Secretariat.

14.3. Financial Reporting

- a. The day to day financial reporting and accounting on the implementation of the annual Business Plan will be done by the Secretary General and the SLoCaT Secretariat
- b. The development of an annual financial statement will be outsourced to a reputable accounting company in Netherlands where the SLoCaT Foundation will be registered.
- c. The SLoCaT Foundation's annual financial statement will be in the form of a "Review" report, rather than a "Audit" report. This will result in a limited level of assurance on the reliability of the financial statements. A Review report is preferable in the initial years of the SLoCaT Foundation because of the size of the SLoCaT Foundation. It is intended that as the organization matures that a formal audit report will be prepared.
- d. The SLoCaT Foundation each year will present for information a financial report as well as a copy of the Review Report for its annual financial statement to the annual meeting of the SLoCaT Partnership.

15. Procurement guidelines for the Foundation

- a. The SLoCaT Foundation will develop procurement guidelines to ensure that procurement of goods and services on behalf of the SLoCaT Foundation is carried out in a transparent and accountable manner reflecting best international practices for an organization of the type and size of the SLoCaT Foundation. These procurement guidelines will become part of the By-Laws of the Foundation.