

## **Internal Regulations**

Internal Regulations of the Foundation International for Blockchain and Real Estate Expertise (FIBREE), in addition to the deed of amendment of articles of association of Stichting FIBREE.

Adopted at the board meeting as of 09-07-2018

### **1. Definitions**

- a) For the purposes of these Internal Regulations, the following terms shall have the meanings assigned to them:
  - i. the foundation: Stichting FIBREE (formerly named Stichting Exblore) , having its registered office at Dompad 10, 2201 LN, Noordwijk, registered with the Chamber of Commerce at The Hague under number 69327475;
  - ii. the foundation: the foundation, as laid down in a deed executed on 09-07-2018 with civil-law notary DLA Piper in Amsterdam;
  - iii. the board: the board of the foundation as referred to in Article 4 of the deed of amendment of articles of association of the foundation;
  - iv. Regional Chair (RC): The main representative of the foundation in a certain geographical region, appointed by the board or (re-)elected by the FIBREE-participants in that region.
  - v. Fundraising actions: activities and projects with the aim of collecting funds and/or services and/or material objects with which the objectives of the foundation can be achieved, also referred to as 'income';
  - vi. projects: activities within the framework of realizing the objectives of the foundation.

### **2. Purpose of the foundation**

- a) The leading international network for exchanging knowledge and experiences between the real estate industry and the IT sector about the possible use of blockchain technology in the real estate industry.

### **3. Main language**

- b) The official language of the foundation is English. All formal documents, policy plans, meeting documents and reports of board meetings and committees, texts on the website and contract documents with a (potential) financial obligation greater than € 500,- will be written or translated into English. Other documents will be communicated as much as possible in English within or on behalf of the foundation, provided this is logically and practically effective for the intended purpose.

### **4. Governance structure**

- a) The foundation intends to be governed according a democratic governance model. The initial board will try to attract as many as possible new participants during the first year, so that at the latest 1 year after establishment of the foundation, the adoption of a democratic governance model has been executed.
- b) In the democratic governance model the following control principles will be used:
  - i. The highest governing body of the foundation is 'the conference of Regional Chairs' (RC-conference), that will take place at least once a year. During the first year after establishment of the foundation, the board will be the highest governing body until the first gathering of the 'conference of regional chairs';
  - ii. Every participant of the foundation can take the initiative to become a Regional Chair (RC), by submitting a written and motivated nomination to the board of the foundation.

Upon receipt of the nomination, the board will examine whether or not it can agree to the nomination (assessment executed by the Chairman of Governance Structure and Ethics together with the Chairman of RC-development and events) and sends an advice on this towards the first next board-meeting. The board-meeting decides by a majority of votes on the appointment of the new RC (Qurum >50%) and informs the RC in question with a clear motivation of the decision.

- iii. Only existing participants of the foundation can be appointed to become a RC.
- iv. RC's are appointed for a period of 4 years. At the expiry of their term, RC's can be re-elected indefinitely for a further period of 4 years by voting of the foundations participants in the region concerned;
- v. The board of the foundation exists of 8 board members. To guarantee the international character of the foundation, the board will always exist of representatives from at least 5 different countries.
- vi. Board members of the foundation are elected by the RC-conference.  
In order to be eligible for appointment as a board member, you must be nominated by at least 3 existing board members and / or RC's. Only existing participants of the foundation can get nominated for board member, it is not necessary to ever have held the position of RC within the foundation.  
Board members are elected for a period of 4 years. At the expiry of their term, board members can be re-elected indefinitely for a further period of 4 years;
- vii. There is no objection to having both the position of RC and that of member of the board in one person. Partners and sponsors are supposed not to influence the election of representatives of the foundation.

## **5. Policy**

- a) The policy is laid down in a policy plan:
  - i. This policy plan is updated and reviewed at least annually.
  - ii. It is the duty of the board to offer the policy plan for approval to the annual RC-conference.
  - iii. Any new version of a policy plan is effective at the time it is approved at the annual RC-conference.
  - iv. The policy plan contains (or is supplemented by) an annual plan and an annual budget.
  - v. The most recently approved policy plan leads the board to implement the policy of the foundation within the spending limits of the budget.
- a) Regarding execution of the financial policy:
  - i. Only the board runs bank accounts for the foundation, there will be no regional bank accounts.
  - ii. Donations from regional sponsors aimed for regional support are registered as such with the relevant regional department of the foundation and will only be used for activities to support the community of the relevant regional department, unless different approval is given from both the sponsor and the RC concerned.
  - iii. Donations from global sponsors can be used for activities to support any regional community or the entire global community of the foundation, within the spending limits of the yearly budget and unless a specific spending goal is agreed with the relevant sponsor.

## **6. Duties and powers of the Board and its members**

The Board, board members and its decisions:

- a) Manages and represents the foundation;

- b) Takes decisions of the Board to execute the approved policy plan of the foundation
- c) Can set up working groups/project groups for a limited period of time. Such a group consists of at least one board member and may also include non-executive members. These groups will be dissolved after financial settlement with the treasurer and discharge at a board meeting;
- d) Decides individually on expenditure of up to € 250,- euro in ad hoc situations. In all situations when expenditures exceed an amount of € 250,- prior advice of the treasurer followed by approval from a majority of the board is needed;
- e) Is not authorised to take out loans. An exception to this is that the Board is authorised to accept advances on a multi-year donation;
- f) Ensures full transparency towards other participants of the foundation regarding his conduct as a representative of the foundation. Acts within the frameworks set out in the policy plan, the annual budget and the project budgets; board members who do not act within the set frameworks are retiring and eligible for re-election at the next RC-conference, on top of the standing re-election sequence;
- g) If a vacancy arises or a board member is eligible for re-election, new candidates can only be proposed by 3 or more sitting board members and/or RC's on the basis of a nomination;
- h) Only natural persons may sit on the board;
- i) After their election, new board members are being installed by the chairman at a regular board meeting, preferably the annual meeting. New board members must be present in person at the meeting or must have sent a written statement of willingness to the chairman;
- j) The board itself elects the chairman of the board (The President) among its members. The chairman is elected for a period of 4 years. At the expiry of his/her term, The chairman can be re-elected indefinitely for a further period of 4 years. The chairman shall be elected by a majority of the votes cast on the candidates who have submitted themselves for election. If there are more than one candidate and no majority of the votes is taken, the candidate with the fewest votes leaves the process and a new round of voting commences.  
Only existing board members who have been on the board for at least one year can be elected as board chairman.  
If none of the board member-candidates has a seat on the board for at least one year, this requirement shall not apply.
- k) All board members, as a whole and as individuals, shall use their best endeavors to comply with the Statement of Ethical Principles of the foundation and declare their willingness to resign if their presence on the board is in conflict with these Ethical Principles.

#### 1. Chairman of the board / The President

- i. Has general management of the foundation;
- ii. Represents the foundation externally;
- iii. Has consultations with official bodies;
- iv. Directs the board;
- v. Is the first point of contact for board members;
- vi. In consultation with the secretary, draw up the agenda for each meeting;
- vii. Leads the board meetings and the annual RC-conference;
- viii. Ensures that decisions are taken in accordance with the law, the articles of association and these terms of reference;
- ix. In consultation with the secretary and treasurer, draws up the policy plan and reviews it annually, prior to the annual RC-conference;
- x. Coordinates and steers activities;

- xi. Ensures that board members perform their duties properly and hold them accountable if this does not seem to be the case.

## 2. Vice-Chairman of the board / Public and Corporate Relations Executive

- i. Replaces the chairman in his absence;
- ii. Represents the foundation in language areas where the chairman does not speak the language;
- iii. Carries out an annual cash audit prior to the annual RC-conference.  
The vice-chairman is supported in this by one of the other board members, not being the treasurer. Each year, a different board member supports the vice-chairman, in rotation.
- iv. Makes proposals, if appropriate, for correcting or improving the accounting records for the following year.
- v. Advises the RC-conference whether or not to grant discharge to the treasurer.
- vi. Performs an interim cash audit at the moment the treasurer indicates that he wishes to resign. Again, advises on whether or not to grant discharge.
- vii. Prepares and safeguards the proposition and positioning (both internal and external) of the foundation towards all stakeholders.
- viii. Manages the contacts and contractual obligations of the foundation with sponsors and partners.
- ix. Manages the contacts with public- and professional media.
- x. Continuously measures and coordinates with sponsors, partners and other stakeholders about their engagement with the foundation and comes up with proposals for improvements.
- xi. Records all sponsorship contracts and partnerships both global and regional, monitors compliance with them and advises board members or RC's on these matters where appropriate.
- xii. The vice-chairman manages the CRM database, which records the data of board members, former board members, donors and their key-representatives for the foundation. He or she shall ensure that this database is up to date and reliable, to the extent reasonably possible.

## 3. The treasurer

- i. Performs the financial administration;
- ii. Safeguards the continuity of the financial administration, particularly in the event of succession;
- iii. Prepares financial statements;
- iv. Creates the financial part of the annual report in which he shall declare the yearly reporting on topics like: a) Financials c) Revision or relieve of treasurer (together with the Vice-chairman);
- v. Ensures that the financial administration, the way in which this administration is carried out and the annual financial report do not deviate unnecessarily from the guidelines and standards of the Dutch Accounting Standard Board (RJ-650 2016).
- vi. Manages the cash, the bank accounts and any savings accounts and investments;
- vii. Manages the inventory, determines whether and under what conditions the inventory is lent and supervises the return delivery;
- viii. Revenue budgeted (fundraising actions) and expenditure budgeted (projects) and carries out interim and final financial audits of these activities;
- ix. Decides independently on expenditure of up to € 250,- or gives his advice to the board on expenditures above € 250,- that need approval from the board;

- x. Assesses whether expenditure incurred and declarations made fall within the annual budget, the frameworks of project budgets and/or the agreements made in board meetings;
- xi. Initiates the discharge of working groups/project groups established for a limited period of time;
- xii. Maintains contact with sponsors and subsidy providers in absence of the vice-chairman.

#### 4. The Secretary

- i. Makes a report of each board-meeting and RC- conference in which at least the following is stated:
  - a. The date and place of the meeting;
  - b. The members of the Board / RC's who are present or absent;
  - c. The proxies granted;
  - d. The decisions taken;
  - e. The list of action points, their allocation, deadlines and current status.
- ii. Summary of the minutes of the meeting for the website (as soon as this part of the website is available);
- iii. Draw up the non-financial part of the annual report, in which he shall declare the yearly reporting on topics like: a) Report of activities and board-meetings / RC-conference and the major decisions taken b) Development of foundation-representatives (board & Rc's old/new, plus votings), c) development of the foundation (website-statistics, its number of participants and its regions), d) overview of contacts/meetings with sister-organisations and other stakeholders;
- iv. Receives all incoming mail, directly or via other board members;
- v. Taking cognizance of and dealing with the post, engages other board members as necessary to deal with the post and arranges for the ensuing correspondence;
- vi. Archives all relevant documents;
- vii. In good cooperation with the Chairman of Community Development, ensures that the current part of the archive can be downloaded from the website for all board members.
- viii. Is responsible for translation of relevant documents into the foundations main-language.

#### 5. Chairman of community engagement and website development

- i. Manages the website;
- ii. Ensures that the website is available and accessible;
- iii. Manages the structure of the website, including the design and operation of required front- and back end technology;
- iv. Ensures that the content of the website is up to date and complete;
- v. Performs the final editing of texts on the website;
- vi. Assesses content that is offered for placement on the website and consults with the chairman if texts are offered or placed that are not acceptable;
- vii. Ensures that the website and all other internal and external communications comply with the corporate identity;
- viii. Maintains contact with those who provide texts or other content for the website;
- ix. The Chairman of Community Development executes the final drafting of the quarterly newsletter and ensures a regular, timely publication.
- x. With regard to the above subs v. to ix., the Chairman of community engagement and website development works in close cooperation with the vice-chairman of the board / public and corporate relations executive.

- xi. Replies to incoming e-mail on the central e-mail address. Good agreements are made with the secretary about the types of e-mail that the webmaster may handle himself: requests for written transmission of annual reports, and other public information. The webmaster sends an acknowledgement of receipt of other e-mails, the further answering/settlement will be transferred to the secretary.

#### 6. Chairman of governance structure and ethics

- i. Supervises the statutory actions of the board members and advises the board (or arranges for external advice to be requested) on any governance issues that may arise;
- ii. Supervises the correct assignment and composition of committees, given the purpose of the committee in question. Advising the board in this matter.
- iii. Carries the end-responsibility for providing an assessment of the person in question when nominating new RC candidates and oversees signature of the Statement of Ethical Principles and other formal documents by new RC's. Acts in respect to this closely together with the Chairman of RC-development and events.
- iv. Is a whistleblower: supervises the board and its members (including the chairman) internally and monitors compliance with the articles of association, the Internal Regulations and by-laws, the Statement of Ethic Principles and the agreements made at board meetings;
- v. Chairs the permanent Committee of Authorisation and Integrity for assessments in case of a conflict with the Statement of Ethical Principles. The chairman of governance and ethics is supported in this by two of the other board members. Fulfills this role until such time as a Supervisory Board can take over this role;
- vi. Oversees the proper functioning of appointment procedures for board members and RC's;
- vii. Periodically examines compliance by board members and RC's with the governance principles and the Statement of Ethics Principles;
- viii. Advices the board in taking appropriate measures when compliance breaches are indicated and coordinates the execution of such measures;
- ix. Makes proposals, if appropriate, for correcting or improving the governance structure or Statement of Ethic Principles.

#### 7. Chairman of product-, content- and expertise development

- i. Is responsible for the annual publication of 'the leading industry report in the field of blockchain and real estate', that provides a leading market-overview of the present state and latest developments both global and in every specific region/country.
- ii. Organizes the collection and quality assurance of relevant content and expertise.
- iii. Is responsible for the development and subsequent updating of an information system that enables participants of the foundation to easily find and contact specialists or relevant content relating to a particular subject.
- iv. Seeks and maintains frequent contact with research- and training-institutes and specialists on specific topics. Also contacts sponsors, partners or other stakeholders occasionally in this perspective.
- v. Monitors the foundation's positioning as a thought leader in the field of blockchain and real estate
- vi. Continuously conducts research among participants, into experiences and wishes with regard to products and services of the foundation
- vii. Ensures that an attractive proposition of products and services on behalf of the foundation is continuously kept up to date with state-of-the-art content and expertise.

- viii. Draws up plans and budgets and monitors their implementation in order to keep the proposition of products and services at the level desired by the participants.
- ix.

#### **8. Chairman of RC-development and events**

- i. Follows the development of the number of participants, continuously searching worldwide for opportunities for developing new regions for the foundation.
- ii. Stimulates and supervises the recruitment of candidate RC's.
- iii. Provides an assessment of the person in question when nominating new RC candidates and oversees signature of the Statement of Ethical Principals and other formal documents by new RC's, together with the Chairman of Governance Structure and Ethics.
- iv. Encourages RC's to organize 3 to 4 regional network meetings per year and organizes support from the foundation where desired.
- v. Actively promotes topics to RC's that could be put on the agenda during network meetings and ensures the supply of content from the foundation.
- vi. Actively tracks which activities/subjects are organized by RC's in their regional networks. Is constantly looking for best practices to copy-paste towards other regions or to be brought to the attention of participants in other regions. The chairman of RC-development and events organizes all necessary follow-up, in collaboration with the RC's involved.
- vii. Is the foundation's point of contact for requests to contribute to an external event and always consults with the vice-president prior to giving any commitment.

#### **7. Agenda**

- a) All participants of the foundation may submit items for the board-meeting to the chairman and/or secretary for the board; they shall draw up the draft agenda in close consultation and decide the priority of items. Urgent items (such as the adoption of the annual report) are placed higher on the draft agenda than items that can be postponed by many;
- b) The secretary shall distribute the draft agenda at least 2 days before the start of the meeting and publish it on the internal part of the website (as soon as this is available).
- c) The final version of the agenda shall be adopted at the beginning of each meeting. Board members have the possibility to add items to the agenda, to propose to add items to the agenda or to carry them over to a subsequent meeting and to propose to change the order of items on the agenda.
- d) Meetings are completed according to the agenda; however, on his own initiative or at the request of the chairman, he may decide to deviate from this order and/or decide to carry one or more items over to a subsequent meeting.

#### **8. Responsibility**

- a) The board is responsible and decides according the year-plan as approved in the latest RC-conference.

#### **9. Minutes**

- a) A report (with an overview of the activities) of each board-meeting and RC-conference is drawn up and distributed to the board members as soon as possible after the meeting.
- b) Draft minutes drawn up shall be discussed and adopted at the next meeting.
- c) Adopted minutes shall be published (either in summarized form or not) on the website (as soon as this is available).

## **10. Contribution during the board-meeting**

- a) Active input is expected from the members of the Board;
- b) Ideas of board members are welcome and are discussed or postponed to a subsequent meeting;
- c) Any board-member may nominate one or more alternates. An alternate shall not be entitled to vote. A deputy can only be present if the board-member is absent;
- d) Any participant of the foundation may put items on the agenda of a board-meeting. The board decides on priority and publishes the agenda on the foundations website (as soon as this is available) prior to the meeting.
- e) The board may ask the chairman to allow persons other than board members to attend the meeting (e.g: a RC that put an item on the agenda). The chairman shall take a decision on this matter, after which the Secretary submits (or not) an invitation to attend (a part of) the board-meeting towards the person in question;
- f) Any board-member may be represented on the board by another board-member on the basis of a written power of attorney to that effect, which must be handed over to the chairman of that meeting at the start of the relevant meeting.

## **11. Regional representation of the foundation**

- a) The foundation aims to grow its network both via internet and ground-based activities. To organize ground-based activities the foundation gives the possibility for participants to become a representative of the foundation in their respective regional area, the so called Regional Chair (RC);
- b) Every defined region will at least have a RC;
- c) What the foundation expects from the RC:
  - i. Is the regional representative of FIBREE in the concerned region, behaves in accordance of the Statement of Ethical Principles as such in order to support the professional image of FIBREE;Ensures full transparency towards other participants of the foundation regarding his conduct as a representative of the foundation.
  - ii. Organizes 3 to 4 regional meetings and contributes to regional visibility of FIBREE
  - iii. Collects or records regional activities within the blockchain & real Estate space
  - iv. Contributes with the above knowledge to the periodic FIBREE Industry report
  - v. Attracts new regional or global sponsors
  - vi. A RC gives his advice to the board about eventual collaboration with possible new sponsors/corporates/partners and, if necessary, meets with these possible stakeholders to be able to give RC's opinion.
- d) What does FIBREE offer back:
  - i. We deliver support in organizing events and regional publicity (web-announcing, content, research-report, speakers)
  - ii. FIBREE brand can be used for regional marketing and activities
  - iii. Within agreed budget/boundaries, the RC can collect and use FIBREE regional fundings for regional use. They will be managed via the board of the foundation (the treasurer), but labeled for regional purposes.
  - iv. RC represents his/her regional community in the RC- conference.
  - v. RC alone has no private mandates, but is in the RC- conference the representative of all FIBREE- participants in his/her respective region, granted with the power of 1 vote on any foundation-decision to be approved at the RC- conference.

- vi. As member of the RC-conference the RC gives his/her input and direction to the board and can put topics on the agenda of the yearly RC-conference to bring into voting.

## **12. Statement of Ethical Principles**

- a) The Council of FIBREE and its representatives promote the highest standards of ethical behavior. In recognition of the importance of philanthropy toward the public good and those we serve, we adopt these ethical principles. Our representatives are committed to the public benefit and to their philanthropic purposes and act accordingly.
- b) FIBREE-representatives shall conduct their business in an ethical manner, in relation to each other and to third parties, and shall not engage in practices that may harm the image and interests of the industry specifically and society at large.
- c) The foundation not only pursues public and business benefit purposes, but also endeavors to keep the environmental footprint to a minimum.

## **13. Acting in violence with Statement of Ethical principles**

- a) If a FIBREE-representative makes a finding of an incident or a wrongdoing with another FIBREE-representative, he/she will report this to the FIBREE Committee of Authorisation and Integrity. This Committee treats the report confidentially, makes its own assessment and assesses whether the report will be discussed with the board or RC- conference. However, the Commission shall inform the notifier thereof.
- b) Non-ethical use of the FIBREE-brand, in the broadest sense of the word is also within the scope of this article and will be recognized as a wrongdoing.
- c) The Committee will report confidentially to the Board at least once a year whether any reports have been received by the Committee and whether the Committee has forwarded any reports on that basis.
- d) If the FIBREE-representative concerned is approached and does not respond to the report or does not respond sufficiently to it and does not inform the Commission (sufficiently) of the outcome of the report, the Commission will inform the FIBREE board. The Board is authorised to impose sanctions on the member in question.
- e) If, in the opinion of the board, a person representing FIBREE should come into question and this person is a member of a working group, a committee set up by or from FIBREE, or he is a representative on behalf of FIBREE, the board will ask this person to withdraw (at least temporarily) from that position or representation, in which the person can only return once his innocence for the board of FIBREE has been sufficiently established. The person can also decide on his own initiative to resign from his representative function on behalf of FIBREE or from his membership of a FIBREE working group or committee (at least temporarily) until his innocence for the FIBREE board has been sufficiently established.

## **14. Final provisions**

- a) In cases not provided for by law, the articles of association and these Internal Regulations, the chairman shall decide.
- b) Upon first request, all interested parties will receive from the secretary one copy of the Articles of Association and these Internal Regulations, as an electronic copy by e-mail. Paper copies shall be made available upon first request for a fee to be determined by the Board.