

**REGULATION FOR THE BOARD OF DIRECTORS FOR MANAGEMENT
OF HOTELSCHOOL THE HAGUE 5 JULY 2007**

General

Article 1 Definitions

Below are the definitions of the bodies/groups referred to in this regulation:

Foundation:	FOUNDATION HOTELSCHOOL THE HAGUE and FOUNDATION INTERNAATSEXPLOITATIE HOTELSCHOOL THE HAGUE;
Hotelschool:	Foundation Hotelschool The Hague and the legal persons of which it is the only immediate shareholder and/or administrator.
Board of Trustees:	the Board of Trustees, the supervisory body of the Foundation;
Board of Directors:	the Board of Directors, in accordance with the statutes, the management of the Foundation;
Statutes:	the statutes of the Foundation;
RAC:	Representative Advisory Council of the Foundation.

Article 2

- 1 This regulation is based on the statutes of the Foundation dated 5 July 2007, Art. 8, subsection 4.
- 2 This regulation was decided upon by the Board of Directors, after it had been approved by the Representative Advisory Council and the Board of Trustees.
- 3 This regulation includes a detailed description of the relationship between the Board of Trustees and the Board of Directors, the methods of the Board of Trustees and the appointment, suspension and dismissal of the members.
- 4 This regulation will come into effect as described in Article 11.
- 5 This regulation is for an indefinite period of time. Four years after it has come into effect, together with statutes and the Regulation for the Board of Trustees evaluated and, if necessary, modified.

Article 3 Governance

The Board of Trustees and the Board of Directors are responsible for the governance structure of the Foundation and for as much as is possible for Hotelschool as well as for the adherence to any (branch) code of governance to which they subscribe, and that is or is not formulated by them supplementary to it. This governance structure and these codes are the foundation on which the actions and omissions of the Board of Directors and of the Board of Trustees are based, as well as forming the framework within which actions and omissions are assessed.

Article 4 Tasks and powers

1. The Board of Directors governs on the basis of a four-year strategic policy plan that is formulated by them and approved by the Board of Trustees in which its policy objectives for each area are described. The Board of Directors give account of the results achieved per area in an annual report written for that purpose. In addition to the Board of Trustees and the Board of Directors discuss together at least once each year their mutual collaboration. In the performance of its duty the Board of Directors must be guided by the interests of the Hotelschool.
2. The following tasks and powers are, whilst allowing for the observance of the law, the statutes and this regulation, reserved for the Board of Directors:
 - a determining the policy on education, identity and quality;
 - b making proposals to the Board of Trustees concerning the size and composition of the Board of Directors;

- c making proposals to the Board of Trustees concerning the terms of employment of the members of the Board of Directors;
- d making proposals to the Board of Trustees concerning the appointment of one of the members of the Board of Directors as chairman of the Board of Directors;
- e conducting performance and assessment interviews with those persons who are responsible for the daily management of the Foundation and the central services;
- f determining the regulation for Board of Directors of Management as referred to in article 8 subsection 4 of the statutes and any amendments to them;
- g the provision of liability insurance for the members of the Board of Trustees and the members of the Board of Directors;
- h recommending an accountant to the Board of Trustees submitting proposals for his commission;
- i the formulation of the annual budgets and any investment plans or proposals to change the Foundation's budget, and the formulation and approval of the annual accounts and annual reports of the Foundation;
- j ensuring that within six months of the end of the fiscal year the annual statement of accounts of the Foundation, as referred to in article 11 of the statutes, have been drawn up and, after approval by the Board of Trustees, are sent to the relevant competent ministry and that the annual report is published through the usual channels of communication;
- k the formulation of the strategic policy plan as referred to section one;
- l the appointment, suspension and dismissal of persons who are responsible for the daily management of the Foundation and of the central services;
- m the appointment, including the determination of the terms of employment suspension and dismissal of other staff employed by the Foundation, with the exception of the members of the Board of Directors.
- n formulating a proposal to enter into or discontinue alliances or collaborations with another legal person.
- o formulating a proposal for the division or disbandment of the Foundation;
- p the decision to found, take over, transfer or discontinue institutes or parts of institutes and/or campuses/ campus locations;
- q deciding to enter into an agreement to buy, transfer or mortgage of registrable property, as well as concluding agreements in which the foundation commits itself as guarantor or severally joint debtor, makes a case for a third party or commits itself to stand as security for debts of a third party;
- r making investments that are not included in the budget;
- s negotiating loans;
- t making proposals to amend the statutes, including a change to the goals and the basic principles of the Foundation;
- u making proposals for decisions to file a petition for the bankruptcy of the Foundation or for the application of suspension of payment for the Foundation;
- v conducting consultations with the met the Representative Advisory Council or with representatives of the Representative Advisory Council;
- w entering into legal proceedings on behalf of the Foundation, with the exception of those matters which are the exclusive right of the Board of Trustees.

For the matters named in parts f, i, k, n, o, p, u and w prior approval from the Board of Trustees is required. Furthermore, approval in writing is required for those matters named under q, r and s if it involves a financial interest of fifty thousand Euros (€ 50.000) or more.

3. The Board of Directors may, for a specified period of time and within parameters that it itself sets, delegate or mandate specified tasks and powers laid down in a management regulation.
4. The guiding principle for the allocation of duties and powers is that the Board of Directors the duties and powers belonging to the daily running and the management of an educational institute or part thereof, or the a central service charged with the daily supervision thereof. that these duties and powers are carried out independently (delegation) or in the name of and under the responsibility of the Board of Directors (mandate), in as far as the law, the statutes or the management regulation allow.
5. The Board of Directors may withdraw a transference of duties and powers (delegation) or an order (mandate) taking into account that which is determined in the statutes, the regulation for the Board of Directors for Management or in a management regulation.

Article 5 Composition

- 1 The Board of Directors is appointed by the Board of Trustees, taking into account the following:
 - a the Board of Trustees asks the Board of Directors for advice about the preferred number of members and the desired composition of the Board of Directors;
 - b the preparation for the provision of vacancies occurs under the responsibility of the Board of Directors;
 - c the members of the Board of Directors will not or do not personally gain financially directly or indirectly from the activities undertaken by the Hotelschool;
 - d for each vacancy in the Board of Directors the Board of Trustees, in consultation with the Board of Directors, draws up a profile.
- 2 The members of the Board of Directors are (after a temporary 12-month contract in which they perform well) appointed for an indefinite period, or are appointed for a maximum period of four years with the possibility of reappointment for a maximum of four years.
- 3 The Board of Trustees will not appoint a candidate member without first consulting the Board of Directors for advice.
- 4 Before appointing a new member of the Board of Directors, the Representative Advisory Council is heard on this proposed appointment.
- 5 A member of the Board of Directors reports additional jobs as well as (potential) conflicts of interest that are of material importance for the Foundation or for the Hotelschool or the legal persons that uphold/ the Foundation immediately to the Board of Trustees and provides them with relevant information.
- 6 A member of the Board of Directors:
 - a may not be a member of the Board of Trustees or perform duties or be involved in supplying or contracting on behalf of the Foundation have any other interests that might otherwise damage his duty as governor,
 - b neither may he have a seat on a number of boards of trustees of (other) large legal persons such that a proper fulfilment of his duties cannot be safeguarded,
 - c neither may he through his actions damage in any other way the interests of the Hotelschool, in the judgement of the Board of Trustees.

In the event of a situation as described above in parts a, b, and/or c then the Board of Trustees must decide, however, not until after the member of the Board of Directors concerned has been given the opportunity of giving account of himself on a meeting.

Article 6 Procedure

- 1 The Board of Directors is a plurally functioning body.
- 2 The members of the Board of Directors are jointly accountable to the Board of Trustees for the policy they follow.

- 3 The chairman is, for the Board of Trustees, the first member of the Board of Directors to be approached.
- 4 The Board of Directors has the following areas of interest:
 - a strategic policy;
 - b identity;
 - c education and quality care;
 - d participants in education/students;
 - e personnel and organisation;
 - f finance;
 - g facility affairs;
 - h ICT;
 - i commercial activities;
 - j internal and external communication;
 - k general affairs;
 - l organisation of central services;
 - m supervision of management.

The members of the Board of Directors divide these areas of interest, after approval by the Board of Trustees, between themselves (portfolio holders). They also agree on mutual substitution in the case of lengthy absence of a member of the Board of Directors.

- 5 The Board of Directors provides the Board of Trustees requested or unrequested, all the information necessary to the Board of Trustees for the performance of its duties. The Board of Directors informs the Board of Trustees about all matters that substantially influence the image and continuity of the Hotelschool.
- 6 The Board of Directors meets as often as is deemed necessary for the proper execution of its duties and powers.
- 7 The Board of Directors works towards a consensus in its decision-making.
- 8 If a consensus is not achieved, a decision is made by majority vote. Each member of the Board of Directors has one vote of equal value. In the case of an equal division of votes, then the Board of Directors consults the chairman or vice chairman of the Board of Trustees. In the case of an emergency the chairman or vice chairman of the Board of Trustees decides at the request of one of the members of the Board of Directors.

Article 7 Regulations

- 1 The Board of Directors has the authority and is obliged to determine such regulations that it deems necessary for the implementation of the statutes or for the functioning of the Foundation.
- 2 The Board of Directors always determines one or more management regulations. In a management regulation the relationship between the Board of Directors and the daily management of the Hotelschool is described in more detail.

Article 8 Representation

1. The Foundation is represented by the Board of Directors, as well as each member of the Board of Directors separately, taking into account that which is determined in art. 10 subsection 1 of the statutes of the Foundation.
2. If the Board of Trustees passes a decision to amend the statutes, the chairman of the Board of Directors and in his absence or if he is otherwise prevented, another member of the Board of Directors, authorized to the deposition of said amendment to the statutes in a notarial deed to that end.
3. The Foundation, in accordance with art. 10 subsection 3 of the statutes has given an irreversible mandate to the Board of Trustees with the power of substitution to exercise the right to vote on the shares held by the Foundation in the capital of the public and private

limited companies, with limited liability, including Hotelschool The Hague Leadership Development B.V. The Board of Directors does not have the right to vote on the shares held by the Foundation in the capital of these companies without prior approval from the Board of Trustees.

4. The Board of Directors, taking into account that which is stated in art. 4 subsection 2 of the last paragraph, have the power to enter into all agreements, with no exceptions.

Article 9 Absence of Board of Trustees members and members of the Board of Directors

- 1 If all of the members of the Board of Trustees are absent for a prolonged period or if all the seats are vacant, the Board of Directors will make arrangements that does justice to the tasks, powers and decision-making of the Board of Trustees provided for in the statutes and in this regulation as much as possible. Under no circumstances may the members of the Board take on the tasks and powers that are reserved for the Board of Trustees.
- 2 If all of the members of the Board of Directors are absent for a prolonged period or if all the seats are vacant, the Board of Trustees will make arrangements that do justice to the tasks, powers and decision-making of the Board of Directors provided for in the statutes and in this regulation as much as possible. Under no circumstances may the Board of Trustees or members of the Board of Trustees take on the tasks and powers that are reserved for the Board of Directors.

Article 10 Withheld approval

- 1 If the Board of Trustees withholds its approval of a proposal or proposed decision by the Board of Directors, the Board of Trustees gives the Board of Directors the opportunity of making a new proposal or proposed decision. The Board of Trustees may set a period of time in which this can be done.
- 2 If the Board of Trustees withholds its approval of a proposal or proposed decision that is put forward on the basis of the previous subsection, the Board of Trustees will make arrangements that do justice to the tasks, powers and decision-making provided for in the statutes and in this regulation as much as possible.

Article 11 Date of commencement

This regulation was determined by the Board of Directors on 28 March 2007 and will come into effect as of 5 July 2007. This regulation was given the approval of the Representative Advisory Council on 4 April 2007 was approved by the Board of Trustees on 28 March 2007.

Article 12 Final article

In all cases for which the law, the statutes and this Regulation for the Board of Directors do not provide, or in the case of doubt/uncertainty concerning the meaning of a provision, the Board of Trustees decides. If there is a contradiction between the statutes and this Board of Trustees regulation, the statutes have precedence.

The Hague, 2 July 2007

drs W. Dooge
Chairman of the Board of Directors
for Manangement

drs. C.M.B. Berendsen
Member of the Board of Directors for
Management