
REGULATION FOR THE BOARD OF TRUSTEES 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. 4, subsection 5.
- 2 This regulation has been decided upon and approved by 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 9.
- 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 Directors for Management" evaluated by the Board of Trustees and, if necessary, modified by the Board of Trustees.

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 Trustees performs its supervisory duties through four-year strategic policy plans formulated by the Board of Directors, in compliance with subsection 3 in part n, in which the policy objectives per individual 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 as well as a discussion at least once each year at which the Board of Directors is not present about the functioning of the Board of Directors and the conclusions that are linked to this. Finally the Board of Trustees evaluates once each year its own functioning.
- 2 The Board of Trustees can appoint from among its own members committees, such as a selection committee, a remuneration committee and an audit committee, in preparation for the decision-making of the Board of Trustees in the areas concerned.

- 3 The following tasks and powers are the exclusive right of the Board of Trustees:
- a guarding the goal and the statutes of the Foundation;
 - b ensuring a qualitatively good composition of the Board of Trustees, and that it functions well;
 - c determining the size, composition and profile of (the members of) the Board of Directors;
 - d appointment, suspension and dismissal of the members of the Board of Directors;
 - e determining the terms of employment and severance payment, if any, to the members of the Board of Directors;
 - f appointment of one member of the Board of Directors as chairman of the Board of Directors and the approval of the division of areas between the members of the Board of Directors;
 - g conducting performance and assessment interviews with the individual members of the Board of Directors;
 - h approving the regulation Board of Directors for Management, as described in article 8 subsection 4 of the statutes and any amendments thereto;
 - i providing or having a liability insurance provided for the members of the Board of Trustees;
 - j appointing a officially recognised accountant and determining his area of work;
 - k calling in the accountant for his opinion and advice;
 - l calling in other external experts, in addition to the accountant, for their opinion and advice;
 - m approving the annual budget and any investment plans and/or proposals to amend the investment plans of the Foundation.
 - n approving the annual statement of accounts and the annual report of the Foundation and the approval of the strategic policy plan as referred to in article 4 part 1,
 - o approving substantial changes to the educational programme;
 - p approving of the termination of the job contracts of a considerable number of employees at once or within a short period of time for the same reason;
 - q approving of the changes in the working conditions of a considerable number of employees;
 - r approving a decision by the Board of Directors to found, take over, transfer and discontinue institutes or parts of institutes and/or campuses/ campus locations;
 - s approving decisions by the Board of Directors to found legal bodies affiliated to the Foundation;
 - t approving decisions by the Board of Directors to enter into or breaking an alliance or other form of cooperation with other legal bodies;
 - u approving the splitting up or disbandment of the Foundation.
 - v approving of aforementioned decisions by the Board of Directors whereby a financial interest is involved of more than fifty thousand Euros (€ 50,000) and that has not been included in an approved budget, in accordance with article 9, subsection 2, part c of the statutes;
 - w approving entering 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;
 - x making a decision to amend the statutes, including changes to the goals and statutes of the Foundation; in accordance with article 13, subsection 1 of the statutes.
 - y approving filing a petition for the bankruptcy of the Foundation or for the application of suspension of payment for the Foundation;
 - z deciding on the use of a surplus balance in the case of disbandment of the Foundation;
 - aa approving the decision by the Board of Directors to enter into legal proceedings on behalf of the Foundation, with the exception of proceedings concerning industrial law and proceedings regarding matters that were first dealt with by the Board of Appeal and/or committees of the Foundation;

- bb drawing up an annual report or having an annual report drawn up that gives an account of the work/duties conducted by the Board of Trustees in that fiscal year, that is included as part of the annual statement of accounts of the Foundation;
- cc at the request of one of the members of the Board of Directors, advising the Board of Directors through the chairman or the vice chairman of the Board of Trustees if the Board of Directors is unable to reach a consensus, or the votes are equally divided;
- dd at the request of one of the members of the Board of Directors, making a decision by the chairman or the vice chairman of the Board of Trustees, if the Board of Directors is unable to reach a consensus, or the votes are equally divided; and it is also a matter of emergency.

Any decisions made by the Board of Trustees about the matters named in parts e, h, i, j, k and l is always on the basis of a proposed decision or proposal by the Board of Directors.

Article 5 Composition

- 1 The composition of the Board of Trustees will be such that the accomplishment of the objectives of the foundation can be guaranteed as much as possible;
- 2 The Board of Trustees takes care of its own vacancies through co-optation, taking into account the following:
 - a The Board of Trustees determines the number of its members with a minimum of five members.
 - b The Board of Directors takes care of the preparation for filling vacancies, leaving in tact the right of the Board of Trustees to approach persons themselves. In the appointment of members of the Board of Trustees the agreed profile formulated for members of the Board of Trustees. For this purpose the Board of Trustees, in consultation with the Board of Directors draws up a profile, for the Board of Trustees itself as well as for each vacancy on the Board of Trustees as it occurs.
 - c Persons are eligible to become a member of the Board of Trustees on the basis of their general managerial skills and, depending on the nature of the vacancy, on the basis of specific abilities in certain fields. Each member of the Board of Trustees must be capable of judging the basic ideas of the policy as a whole, at least one member of the Board of Trustees must possess the necessary financial expertise;
 - d The Board of Trustees is composed in such a way that its members can operate independently and critically ten in relation to one another, the Board of Directors and any other stakeholder.
- 3 Before appointing a new member of the Board of Trustees, the RAC board of the Foundation is heard in this proposed appointment.
- 4 The members of the Board of Trustees are appointed for a period of four years. The Board of Trustees draws up a schedule for resignation so as to achieve an even distribution of resignations.
- 5 A member may be appointed for a maximum of three four-year terms. Re-appointment occurs only after careful consideration and in accordance with the requirements of the profile referred to in section 2 subsections b and c.
- 6 In the case of a pending decision concerning dismissal of a member of the Board of Trustees or current proceedings dealing with bankruptcy, dismissal through the court, under administration, under receivership or debt restructuring as referred to in article 6 subsection 1 of the statutes, the member of the Board of Trustees in question can be suspended. To this end a decision taken by a two-thirds majority of valid votes by the other members of the Board of Trustees is required. In cases of emergency the chairman and vice chairman may decide. Such a decision by the chairman and vice chairman needs to be confirmed by the Board of Trustees within four weeks.

- 7 The Board of Trustees appoints one of its members as chairman and vice chairman. The Board of Directors provides administrative support comprising at least a minutes secretary to the Board of Trustees.

Article 6 Procedure

- 1 The Board of Trustees meets at least twice each year.
- 2 Further, the Board of Trustees meets as often as the chairman deems desirable with at least two of its members and/or if the Board of Directors so requests. If such a request is not met within fourteen days and/or the meeting is not expected to take place within a reasonable period those who requested the meeting have the right to convene their own meeting which, if necessary, provides for its own leadership.
- 3 The Board of Trustees meets in accordance with the regulations as laid down in the statutes as follows:
 - third parties may be invited by the Board of Trustees or by the chairman to be present at a meeting or at a part of the meeting;
 - the Board of Directors may make a proposal to either the Board of Trustees or the chairman to invite a third party/parties to attend either a meeting or a part of a meeting;
 - the Board of Trustees makes a schedule for one year, a list of expected agenda points and a meeting schedule that includes the dates for the coming year and the agenda points that are to be dealt with;
 - the Board of Trustees meets according to a carefully prepared agenda and ensures that careful records are kept in which agreements are clearly recorded and decisions can clearly be deduced;
 - the Board of Trustees meets in principal in closed session, but may decide to make consultations public, that are in the interests of the Hotelschool, the interests derived from this of the Board of Trustees and/or of the Board of Directors.
- 4 The call to a meeting is done in writing and with at least seven day's notice. In urgent cases, if the chairman deems it necessary in view of the circumstances, the board may deviate from this procedure.
- 5 Decisions may be taken only with an absolute majority of votes at a meeting at which at least two-thirds of the members of the Board of Trustees is present or represented, unless there is a decision referred to in article 6 subsection 1e of the statutes (= decision about the dismissal of a member of the Board of Trustees) and in article 13 subsection 1 of the statutes (= decision to amend the statutes or disbandment).
- 6 If the required number of Board of Trustees members is not present or represented, then in a following meeting that is held between two and six weeks after the first meeting, irrespective of the number of Board of Trustees that are present or represented, a decision may be made on this matter with an absolute majority of votes, in as far as no greater majority is prescribed in the statutes.
- 7 Each member of the Board of Trustees has one vote. A member of the Board of Trustees may not vote if the vote is about his own actions, failure to act and/or is about a (potential) conflict of interests.
- 8 Votes about persons is done in writing, other matters are voted on verbally, unless the chairman decides otherwise. Blank or invalid votes do not count. In the case of a tie about persons a second vote is taken. If the votes are tied for a second time the proposal is deemed to be rejected. In the case of a tie of votes about other matters, chance will decide.
- 9 A member of the Board of Trustees may give written authorisation to a fellow member of the Board of Trustees to represent him at a meeting. Under written is meant any notification that is transmitted via normal channels of communication and received in writing. One member of the Board of Trustees is allowed to represent only two fellow members of the Board of Trustees at a meeting.
- 10 Further, legally valid decisions may be made outside meetings, providing the members of the Board of Trustees are given the opportunity of expressing their opinions in writing and an

absolute majority of the members have declared themselves in favour of the proposal, unless the statutes require a greater majority for the proposal in question, and none of the members has declared himself against the proposal. For a decision that is made in this manner an account is made and signed by the chairman and one other member of the Board of Trustees that is appended to the minutes together with the letters received. Such a decision is equal to a decision that is taken in a meeting.

- 11 A decision as referred to in article 6 subsection 1 e of the statutes (= decision in the matter of dismissal of a member of the Board of Trustees) and in article 13 subsection 1 of the statutes (= decision to amend the statutes or to disband) may be taken only with a majority of two thirds of valid votes in a meeting of the Board of Trustees at which at least three quarters of the members are present or represented. If the required number of members is not present or represented at this Board of Trustees meeting, then a decision must be made at a following meeting, that must be held between two and six weeks after the first meeting, irrespective of the number of members who are present or represented, with at least a two thirds majority of valid votes.
- 12 A decision as referred to in article 6 subsection 1 e of the statutes, supplementary to that which is laid down in article 6 subsection 11 pas may only be taken after the member concerned has been offered the opportunity, in a meeting of the Board of Trustees to account for and/or defend himself, accompanied by someone from the Board of Trustees, if so desired.
- 13 Meetings of the Board of Trustees may be attended by the members of the Board of Directors, unless the Board of Trustees decides otherwise. The members of the Board of Directors have an advisory role in the meeting.
- 14 The discussions in the meeting are recorded by the minutes secretary, preferably by the Secretary of the Board of Directors, and in his absence through other responsibilities by a member of the Board of Trustees.
The minutes are approved by the Board of Trustees in a following meeting, which is apparent from the minutes of the following meeting.

Article 7 Information

- 1 The Board of Trustees is itself responsible for supplying itself with information.
- 2 The Board of Trustees is authorised to obtain all the information it needs from the Board of Directors in order to properly fulfil its duties.
- 3 The Board of Trustees is provided with information about the policy, the realisation of goals, the achievements and results, the risks associated with the educational institutions, the social function and the strategy of the school.
- 4 The Board of Trustees is informed in a standard manner in the form of a planning and control cycle through benchmarks or index numbers, with reports about the internal management systems, including the administrative, managerial information and with data from benchmark study/studies, as well as about internal and external developments and the law and regulations.
- 5 The Board of Trustees is informed about problems or conflicts within the Hotelschool, problems or conflicts in relations with third parties, incidents that have been or are to be reported to the *Onderwijs Inspectie* (schools inspectorate) or to the Director of Public Prosecutions, legal proceedings en affairs that have or will come to the attention of the public.
- 6 The Board of Trustees gathers information:
 - a. through the agreed information facilities with the Board of Directors or through the provision of information by the Board of Directors;
 - b. through the regulated contacts with the RAC that provide for the reciprocal exchange of information and meetings (if any) with the management team or its members and through company visits and through the attendance of social, personal or other business events.

- 7 The Board of Trustees are, if necessary for the acquittal of its responsibilities and for the exercise of its powers, free to gather information and has thereto access to documents and facilities of the school in order to reach an independent decision.
- 8 The Board of Trustees has an interview with the accountant at least once each year in the presence of the Board of Directors about the annual statement of accounts and the management letter.
- 9 At least one member of the Board of Trustees has an interview at least once each year in the presence of the Board of Directors with the RAC about the general state of affairs within the Hotelschool.

Article 8 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 do 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.

Article 9 Date of commencement

This regulation was determined by the Board of Trustees on 28 March 2007 and will come into effect as of 5 July 2007.

Article 10 Final article

In all cases for which the law, the statutes and this Regulation Board of Trustees 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

Mr. L.E.J.A. van der Hoeven
Chairman

Mr. J. Roest
Vice chairman