

STATUTES
of the German Medical Aid Organisation
„action medeor“ e. V.
St. Töniser Straße 21,
47918 Tönisvorst-Vorst

as of 13 June 2008

Article 1: Name, registered office and financial year

- (1) The name of the association is “German Medical Aid Organization „action medeor“ e.V.”.
- (2) The registered office of the association is in Tönisvorst-Vorst.
- (3) The association is entered in the register of associations at the district court of Kempen.
- (4) The financial year will be the calendar year.

Article 2: Purpose of the association

- (1) The association serves exclusively and directly charitable and beneficent purposes according to the section of German Tax Law dealing with “purposes subject to tax benefits”.
- (2) The purpose of the association is to
 - a) provide development assistance and to contribute to the understanding among nations.
 - b) selflessly assist people who due to illness depend on the help of others.
- (3) The association provides development assistance in all areas of health care, especially by
 - a) raising understanding for the situation of people in developing countries.
 - b) letting produce or by buying medicines and then sending them to distribution centres, hospitals, health centres and doctors in developing countries at a price that covers the expenses of the association.
 - c) letting produce or by buying medical equipment and then sending it to distribution centres, hospitals, health centres and doctors in developing countries at a price that covers the expenses of the association.
 - d) providing medical and pharmaceutical specialist counselling to distribution centres, hospitals, health centres and doctors in developing countries at a price that covers the expenses of the association.
- (4) The association supports people that due to illness depend on the assistance of others by sending medicines or medical equipment free of charge to hospitals, health centres or doctors in developing countries and by providing medical and pharmaceutical specialist counselling for recipients in developing countries.
- (5) The purpose of the pharmaceutical and medical specialist counselling is to give distribution centres, hospitals, health centres or doctors the chance to
 - a) let medicines be tested and analysed regarding their pharmaceutical quality,

(b) refer to a competent partner with pharmaceutical and medical expertise and according experience regarding the use of medicines.

(6) The association contributes to the understanding among nations by also conducting activities according to the paragraphs 3 and 4 and 5 in countries that are not developing countries if the conditions there require assistance.

Article 3: Funds of the association and assurance of the tax-privileged purpose

(1) The association acts selflessly; it does not primarily follow purposes that serve its own economic interest.

(2) The funds of the association may only be used for the statutory purposes. The members do not receive allowances from funds of the association.

(3) No person may be advantaged by expenses that differ from the purpose of the association or by a disproportionately high salary.

(4) In case of a cancellation or dissolution of the association, first obligations have to be paid and then the still available assets have to be allocated to the action-medeor-foundation as far as it can use them for tax-privileged purposes and if it cannot, they have to be allocated to other tax-privileged purposes. Decisions in this matter may only be carried out after the consent of the fiscal authorities.

Article 4: Membership and fees

(1) Natural persons or juristic persons that are willing to support the goals of the association can become members.

(2) The admission to the association is granted by the Supervisory Committee.

(3) The membership ends when the member leaves the association, is expelled or dies. When the member is a juristic person, the membership also ends with the loss of the legal status.

(4) It is only possible to leave the association at the end of the year. The note of resignation requires the written form and has to be available to the president not later than 30 September.

(5) A member that compromises or impairs the purposes of the association or its reputation or that does not pay due fees in spite of a reminder can be expelled from the association by unanimous decision of the Supervisory Committee not before having granted him the right to be heard by the Supervisory Committee or by a member of the Supervisory Committee assigned by it. The decision concerning the expulsion will be communicated in written form.

(6) The association charges an annual fee which amount is proposed by the Supervisory Committee and determined by the Members' Meeting.

Article 5: Organs of the association

(1) The organs of the association are the Members' Meeting, the Supervisory Committee, the Executive Board and the Advisory Committee.

Article 6: Members' Meeting

(1) The Members' Meeting is responsible for

- the approval of the annual financial statement and the business report,
- discharging the Supervisory Committee, the Advisory Committee and the Executive Board,
- the election of the Supervisory Committee and the Advisory Committee,
- the determination of the membership fees,
- amendments to the statutes of the association,
- further matters presented to it,
- the dissolution of the association.

(2) A Members' Meeting has to be held at least once a year, at the latest on 30 June. Further General Assemblies are held as required. The venue, time and agenda are set by the Supervisory Committee. The invitation including the agenda has to be made in written form at least two weeks in advance.

(3) The Members' Meeting is chaired by the president.

(4) An extraordinary Members' Meeting has to be held when at least one third of the members call for it in written form and stating the reasons and the desired agenda.

(5) Every orderly convoked Members' Meeting has a quorum irrespectively of the number of members present.

(6) Votes are usually taken openly. They are taken secretly when at least one of the present members of the association entitled to vote wishes so. Elections are held secretly. If there is only one candidate for the post to be filled, the election is held openly, provided that nobody disagrees.

(7) Every member present at the Members' Meeting has a vote. In decisions and elections, the simple majority of the votes decides. Abstentions are not counted. In the case of a tie in decisions, the vote of the chairman is decisive; in the case of a tie in elections, the decision is made by lot if several candidates are running for the office. A two-thirds majority of the present members is necessary for amendments to the statutes of the association and in case of dissolution of the association.

(8) A protocol has to be made about the decisions of the Members' Meeting. This has to be signed by the chair, one member and the keeper of minutes.

Article 7: Supervisory Committee

(1) The Supervisory Committee consists of five voluntary members of the Supervisory Committee. The members should have different professions and an equilibrated expertise. The areas of medicine, pharmacy and finances should be competently represented in the Supervisory Committee.

(2) The Members' Meeting elects a President as chairman of the Supervisory Committee, the Vice-president and the assessors.

(3) The post of a member of the Supervisory Committee starts with the end of the Members' Meeting that carried out the election and ends with the end of the Members' Meeting in the third year after the election; the financial year in which the member of the Supervisory Committee was elected is included. A re-election is possible. Only persons who have not completed their 70th year of life at the time of the election can be elected.

(4) Every year – independently of a possible re-election - two members of the Supervisory Committee resign, every third year one. The period in office after the election is decisive for the

retirement; in case of the same period in office, the decision is made by lot. However, after the first election of the Supervisory Committee, the President is newly elected in the third year, the Vice-president in the second year.

(5) If members resign during their period in office, the Supervisory Committee consists of the remaining members until the next Members' Meeting, when the by-election takes place. The by-election is valid for the rest of the period in office of the resigned member of the Supervisory Committee.

(6) The members of the Supervisory Committee officiate free of charge. Necessary expenses related to their office are reimbursed after the presentation of the bills and receipts.

(7) The Supervisory Committee is not liable in cases of simple negligence. A liability is further only possible within a cut-off period of 6 months that starts with the notice of the damage by the association. The cut-off period is met with the commencement of action or an equal act.

(8) The President, if unable to attend replaced by the Vice-president, represents the association adverse the Executive Board judicially and extra-judicially.

Article 8: Duties of the Supervisory Committee

(1) The Supervisory Committee has to control the management of the Executive Board. It can at any time request reporting by the Executive Board. The Supervisory Committee or members determined by it can at any time review and check the books of the association. For this, the Supervisory Committee can use an accountant, a tax advisor or a lawyer. If the members of the Supervisory Committee do not unanimously agree to hire an accountant, a tax advisor or a lawyer, the matter is to be discussed with the Advisory Committee before the assignment; the decision about the assignment of the accountant, tax advisor or lawyer is made by the Supervisory Committee after the discussion with the Advisory Committee according to Article 9.2. Single members of the Supervisory Committee can also request information from the Executive Board, but only towards the Supervisory Committee.

(2) The Supervisory Committee can create committees within its members and use the assistance of experts at the expenses of the association. If the Supervisory Committee creates the committees, it decides on whether they have advisory or decisive capacities and it also determines the number of members of the committee. A committee has to consist of at least two members.

(3) In particular, the Supervisory Committee has the following duties:

- a) preparation and convocation of the Members' Meeting,
- b) decisions about the admission and exclusion of members,
- c) appointment and dismissal of the Executive Board as well as the conclusion, amendments and the cancellation of the employment contract with the latter,
- d) agreement to legal proxies,
- e) agreement to the appointment of heads of divisions,
- f) determination of policies for the employment of staff,
- g) approval of the business plan,
- h) establishment of the annual financial statement and the business report
- i) agreement to measures, as far as the bylaws of the Executive Board requires it according to Article 12.5,
- j) decision about the issue of an instruction towards the management of the

charitable limited company „action medeor International Healthcare gGmbH“ as well as about voting in the meeting of stakeholders of this company.

(4) The Supervisory Committee gives itself bylaws that also determine the character and the extent of the assignment of tasks between the members. To be valid, the bylaws require the written form and have to be signed by all members of the Supervisory Committee. To be valid, the bylaws furthermore require the approval of the Advisory Committee.

Article 9: Decision-making of the Supervisory Committee

(1) Meetings of the Supervisory Committee are convoked by the President, if unable to attend by the deputy. The Executive Board takes part in the meetings of the Supervisory Committee, as far as the Supervisory Committee has not decided otherwise.

(2) The Supervisory Committee has a quorum when more than half of its members are present. Every present member of the Supervisory Committee has a vote. For decisions, the simple majority of the votes is needed. Abstentions and invalid votes do not count as votes. In case of tie, the vote of the President is decisive.

(3) On a regular basis, the President has to convoke a meeting stating the agenda. Furthermore, a meeting has to be convoked when a member of the Supervisory Committee asks for it in written form stating the purpose and the reasons. If this demand is not met, the requestor can by oneself convoke the Supervisory Committee stating the matter.

(4) If a timely decision by the Supervisory Committee is not possible, the President, if unable to attend his deputy, can approve a measure in place of the Supervisory Committee. The President, or respectively his deputy, immediately has to inform the other members of the Supervisory Committee.

(5) An orderly protocol has to be made of the decisions of the Supervisory Committee. This protocol has to be signed by the President, if unable to attend by the deputy and by the keeper of minutes.

(6) Additionally, the bylaws of the Supervisory Committee which the Supervisory Committee gave itself are valid.

Article 10: Advisory Committee

(1) The association has an Advisory Committee. It consists of at least five and maximum seven members.

(2) The members of the Advisory Committee are elected for three years by the Members' Meeting on suggestion of the Supervisory Committee. A re-election is permitted. The period of election ends with the Members' Meeting in the third year following the election. If a member retires prematurely, the Members' Meeting can elect a new member for the rest of the term in office.

(3) The Advisory Committee has to advise the Supervisory Committee during the execution of its duties. In particular, it gives its view and its respective recommendations concerning the guidelines presented to the Members' Meeting by the Supervisory Committee.

(4) The Advisory Committee can give itself bylaws that require the approval of the Members' Meeting. To be valid, the bylaws require the written form and have to be signed by all members

of the Advisory Committee.

(5) For a decision, at least half of the members of the Advisory Committee have to be present. Every present member of the Advisory Committee has a vote. For decisions, the simple majority of the given votes is needed. Abstentions or invalid votes do not count as given votes. In case of tie, the vote of the chair that has to be elected within the Advisory Committee counts.

(6) The chair of the Advisory Committee can participate in the meetings of the Supervisory Committee. He receives an invitation including the agenda to every meeting.

Article 11: Executive Board

(1) The Executive Board consists of one or more full-time members. It manages the association on its own authority.

(2) The Executive Board is appointed and recalled by the Supervisory Committee.

(3) The Executive Board represents the association judicially and extra-judicially according to the German Civil Code (Article 26.2 first sentence).

(4) The Supervisory Committee can relieve the Executive Board from the restriction stated in article 181 of the German Civil Code insofar that it gets the authorisation to carry out legal transactions in the name of the association as representative of a third party.

(5) For certain business areas, the Executive Board can authorise representatives to legally represent the association. Authorisations to legally represent the association that resemble a power of procuration or a proxy according to the German Commercial Code have to be approved by the Supervisory Committee.

Article 12: Tasks and duties of the Executive Board

(1) The Executive Board manages the commercial operations of the association according to the law, the statutory provisions and the bylaws for the Supervisory Committee and the Executive Board. In particular, it has to obtain the approvals of the Supervisory Committee determined in these statutes and in the bylaws of the Executive Board.

(2) During his management activities, the Executive Board has to apply the accuracy of an orderly and diligent manager. Par. 6 stays unaffected.

(3) The tasks of the Executive Board particularly include

- a) the setup of the business plan, the staff appointment scheme, the annual financial statement and the business report. The correctness of the financial statement has to be confirmed by an auditor.
- b) the employment and the dismissal of employees in line with Article 8.3, being their supervisor.

(4) The Executive Board has to inform the Supervisory Committee about all important matters. If the Executive Board considers it appropriate, it can present matters over which it could decide itself to the Supervisory Committee for a decision by the Supervisory Committee.

(5) The Executive Board gives itself bylaws that also determine the character and the extend of the legal transaction for which acceptance the Executive Board needs the approval of the Supervisory Committee. To be valid, the bylaws require the written form and need to be signed by the Executive Board. To be effective, the bylaws also require the approval of the Supervisory Committee.

(6) The Executive Board is not liable in cases of simple negligence. A liability is further only possible within a cut-off period of 6 months that starts with the notice of the damage by the association. The cut-off period is met with the commencement of action or an equal act.

Article 13: Dissolution of the association

The dissolution of the association can be determined at the request of the Supervisory Committee or at request of at least half of the members. The decision is only effective if it is made during a Members' Meeting convoked with this agenda by a two-thirds majority of the present members of the association.