

**The revised
STATUTES
of the
JOINT VENTURE ASSOCIATION
- integrated text -**

1. GENERAL PROVISIONS

1.1 NAME, SEAT, AIM, TASKS OF THE ASSOCIATION

1.1.1. Name of the Association: **Joint Venture Szövetség**
in English: Joint Venture Association
in German: Joint Venture Verband
in French: Association des Sociétés à Participation Étrangère
Acronym: **JVSZ, JVA, JVV**
hereinafter: Association

1.1.2.
Seat of the Association: **H-1051 Budapest, Szent István tér 11/b.**

1.1.3.
The Association is an independent organisation of safe-guarding and implementing interests of its members, who established it of their own will and which carries out its activities alone or in co-operation with other similar organisations.

1.1.4.
The Association has legal personality and operates, nation wide, in accordance with these Statutes and the provisions of the Law CLXXV./2011 as well as other relevant legal rules.

1.2. AIM AND TASKS OF the ASSOCIATION

1.2.1.
The Association's aim: taking note of and elaborating ideas and opinions of common interest raised by members and groups of them – primarily those affecting their business conduct – in order to summarise and forward them to competent persons and institutions, thus representing their interest, and promoting the creation of an economic environment, which enhances the country's integration into international economy, as well as the influx of further FDI, together with foreign technologies and processes.

In implementing this aim the Association relies on the primary partnership of Hungarian government organs responsible for control of the economy, on institutions taking care of market organisation and development.

1.2.2
In order to achieve its aims, the Association co-operates with similar organisations defending economic interests.

1.2.3.
In order to achieve its aims specified above, the Association fulfils the following tasks:

- the permanent monitoring of economic legislation and implementation of relevant laws in practice, inciting the revision, changing or abolishing of legal rules offending the law and being to the detriment of the companies operation,
- collects and distributes information among members, helping them to learn about legal rules and the application of them,
- represents and helps the membership or certain professional groupings of them in regard to specific economic issues,
- taking position – based on members opinions – in regard to current topics of the economic policy, affecting members basically and in general terms, particularly in connection with government decisions and on-coming economic management,
- based on collective initiatives of members, the Association comments all other issues which in a way affect the interests and the prestige of the member companies,
- providing help to members in cases of individual interest affairs,
- publication of a statement in a fitting manner according to case and submitting it to competent forums,
- in order to provide members with professional- and economic information, the Association organises conferences, panel discussions and seminars, and in addition makes proper lobbying,
- via its local and international contacts, the Association helps its members in market research- and exploration,
- promotes and negotiates the co-operation of members with each other and other players of the economic scene, helps the development of their professional and business activities,
- maintains contacts to authorities which are foremost involved in the foundation and operation of companies, to courts of registration entrusted with the legality supervision and control of firms, as well as to similar business organisations in Hungary and abroad.

1.2.4.

The Association fulfils its expedient activity in a not-for-profit manner.

To support the achievement of its objectives and ensure its economic conditions, the Association may occasionally carry out business activities. Such activity may not be the main activity of the Association, and the revenue from the activity other than the non-profit activity may not exceed the percentage of total annual revenue as defined by law. It provides its services to members in return for the membership fee or the reimbursement of direct costs.

1.2.5.

For implementing the aims in practice:

- a.) The Association organises conferences, lectures, information- and experience exchange programmes in Hungarian and in foreign languages in order to integrate the membership,

- b.) lets make internally or externally information publications and disseminates them among the members,
- c.) calls the attention of members to professional periodicals and books, provides them occasionally with copies or makes the inspection possible at the JVA Secretariat,
- d.) makes permanently available to members experts for free of charge consultations.

2. TERMS OF MEMBERSHIP

2.1. MEMBERS OF THE ASSOCIATION

2.1.1. Full- and supporting member of the Association may be companies registered in Hungary or abroad:

- a.) first of all companies with foreign participation (incl. companies wholly foreign-owned),
- b.) representative offices of foreign firms,
- c.) branches of foreign firms,
- d.) other organisations,
- e.) Hungarian and foreign nationals,

provided they acknowledge and obey the Statutes of the Association.

2.1.2.

For Honorary Member may be appointed the Hungarian or foreign national Person, who has distinguished himself - and is expected to do so in the future - in the support of FDI in Hungary.

2.2. BECOMING A MEMBER

2.2.1. Written application for membership must be submitted to the Managing Secretariat. In the case a Hungarian or foreign nationals would like to be a member, a recommendation of a Presidium member is also required. The Presidium decides about the acceptance of the application at its forthcoming meeting. For the appointment of the Honorary Member the recommendation of two JVA members is a requirement. Honorary members are elected to this position by the general meeting.

2.2.2.

The membership relation /term/ starts with the Presidium's decision of admission. The Managing Secretariat has to send the decision of admission together with the invoice on the membership fee to the applicant, within 8 days from the date of the decision.

2.2.3.

Against a negative decision of the Presidium the applicant may lodge an appeal. The appeal has to arrive to the Managing Secretariat within 8 days from the receipt of the decision. The forthcoming General Assembly decides about the appeal.

2.2.4.

A register of members and paid-up membership fees must be carried.

2.3. TERMINATION OF MEMBERSHIP

2.3.1.

The membership ends:

- a) Upon the withdrawal of the member;
- b) Upon the termination of membership by the association;
- c) Upon the exclusion of the member;
- d) Upon the death or termination of the member without succession.

2.3.2.

The member is entitled to declare its intention of cancelling the membership in writing, addressed to the Presidium. The member relationship ends at the end of the particular quarter of the year in which the cancellation note was received.

2.3.3.

The membership ends on the day of striking off the trade register or other similar, official register of the member.

The honorary membership ends with the death of the Hungarian and foreign national.

2.3.4.

The Ethical Business Conduct Committee may exclude the member, which grossly breaks the rules of the Statutes, or seriously endangers the aims of the Association with its conduct and inflicts moral or material damage on the Association.

- The competent body shall inform the member concerned about the initiation of and the reasons for the exclusion procedure.
- The member concerned shall be given the opportunity to present his defence either in writing or orally, also in the remedy proceedings, before taking a decision on exclusion.
- In addition to the resolution, the decision to exclude shall include the reasons for exclusion and, if appealable, information on legal remedy.
- The decision shall be served to the member concerned in a provable manner, including in the remedy proceedings.

Within 15 days after the receipt of the decision about the exclusion the member may lodge an appeal to the President of the Association. The Presidium has to decide about it within 60 days.

If the Presidium endorses the decision of exclusion, the excluded member may lodge a complaint to the General Assembly 15 days from the receipt of the decision. The complaint has no delaying force on the exclusion.

The decision concerning the complaint has to be included in the agenda of the forthcoming GA. The membership ends at the date of the putting into force of the exclusion decision on second instance, or the end of the appeal period.

2.3.5.

The Managing Director may terminate membership by 30 days' notice in the case of non-payment of the membership fee.

The Managing Director may terminate the membership of the member concerned due to the non-payment of the membership fee only if he invited the member in writing in a provable manner to pay the membership fee, setting a grace period, and such grace period also expired without results.

The notice shall be sent to the member by registered mail with acknowledgement of receipt.

The member concerned may appeal the decision to the Presidency in writing within 15 days of receipt of the notice.

The Presidency shall decide on the appeal within 30 days of receipt of the same.

The Presidency decides on the appeal by simple majority.

The decision of the Presidency is sent to the member concerned by the Managing Director within 8 days of making such decision.

2.4. RIGHTS OF FULL MEMBERS

2.4.1.

The member is entitled

- a.) to participate in the Association's activities and the General Assembly with one vote,
- b.) to receive regular information about the Association's activities and to actively participate on all meetings, putting forward its views and proposals,
- c.) to initiate the convocation of the General Assembly and submit proposals concerning the agenda,
- d.) to make use of the Association's services free of charge – occasionally against payment of cost contribution,
- e.) make a proposal for the election of members of the Presidium, the Supervisory Board, the Ethical Business Conduct Committee, the Nominating and Mandate Verification Committee as well as of other Committees, and initiate their recall.
- f.) to refer to its JVA membership on letterheads and other business papers.

2.4.2.

The representative of the member may be elected for member of any of the Association's official bodies.

2.4.3.

The member may make use of its membership rights through its representative. The proxy holder's competence must be evidenced in a private document.

2.5. OBLIGATIONS OF THE FULL MEMBER

The member is obliged:

- a.) to support the aims of the Association,
- b.) to follow the Statutes and the resolutions of the Association's organs,
- c.) to perform a business conduct fully in line with the Code of Ethics,
- d.) to totally fulfil the tasks taken voluntarily within the activities of the Association,
- e.) to pay the annual membership-fee,
- f.) to provide the Association with all information about the firm – except business secrets – that could help the activities in general and the networking activity of the Association in particular.

2.6. RIGHTS AND OBLIGATIONS OF THE SUPPORTING AND THE HONORARY MEMBERS

The rights and obligations of supporting and honorary members are basically identical with those of full members, with the following exceptions:

- a.) they and their representatives may attend the meetings of the bodies of the Association with the right to consult but may not be elected to the bodies of the Association,
- b.) honorary members do not have to pay the membership-fee.
- c.) the honorary members participate in the activities of the Association only through their financial contributions.

3. THE ORGANISATION OF THE ASSOCIATION

- 3.1. the General Assembly
- 3.2. the Presidium
- 3.3. the President
- 3.4. the Co-President
- 3.5. the Honorary President
- 3.6. the Vice-Presidents
- 3.7. the Executive Director
- 3.8. the Supervisory Board
- 3.9. the Ethical Business Conduct Committee
- 3.10. the Nominating and Mandate Verification Committee
- 3.11. the Managing Secretariat
- 3.12. Conflict of interest rules

3.1. The GENERAL ASSEMBLY (GA)

3.1.1.

The decision-making body of the Association is the General Assembly which is composed of the representatives of the members. The GA has the competence of making decisions in all issues concerning the Association.

In the GA only full members may attend and have a vote.

3.1.2.

The exclusive competence of the GA includes:

- a./ the determination and modification of the Association's Statutes,
- b./ the election and the revocation of the President, Co-President, the members of the Presidium, the SB and the members of Ethical Business Conduct Committee,
- c./ the approval of the Presidium's and SB's report,
- d./ the confirmation of the Association's budget and the report on its execution,
- e./ upon the declaration of the merger of the Association with another civil organisation or the declaration of its termination,
- f./ decision regarding complaints against the Presidium's decision on exclusion and the decision of second instance.
- g./ election of honorary members

3.1.3.

Every member has one vote.

The amendment of the Statutes of the Association shall be subject to a decision passed by three-quarters majority of the members being present.

Changing the objective of the Association or the termination of the Association shall be subject to a decision passed by three-quarters majority of the members eligible to vote. When making a decision, a member may not vote

- a) who is discharged from any obligation or responsibility through the decision or receives an advantage of any kind to the detriment of the legal person;
- b) whom a contract shall be concluded with in accordance with the decision;
- c) against whom a lawsuit should be initiated on the basis of the decision;
- d) whose relative that is interested in the decision is not a member or founder of the legal person;

- e) who is connected to any other organization interested in the decision based on majority interest; or
- f) who is otherwise personally interested in the decision.

3.1.4.

The GA has to be convened according to need, however at least once a year.

The GA is convened by the Presidium. As a rule, the General Assembly shall be held at the registered seat of the Association, but the Presidium may decide to hold the meeting at any other suitable location. The Presidium has to convene an extraordinary GA, if:

- the SB demands it,
- a court decision provides for it,
- 1/10 of all registered members ask for it, specifying the reasons.

The invitation to the General Meeting shall state the organisation's name and registered address, the place and time and the agenda, and shall be delivered to the members in a provable manner (by registered mail or electronic mail applying the electronic certificate of service) no later than by the 15th day before the date of the general assembly.

The General Meeting may discuss only the items listed on the agenda, except if all members are present at the General Meeting and unanimously consent to discussing an issue which is not listed on the agenda.

The agenda should be indicated in the invitation to a level of detail that enables those entitled to vote to formulate their opinion regarding the topics to be discussed.

3.1.5.

The GA has a quorum, when a half of the members having voting rights + at least another member (50 % + 1 member) is present.

Should, due to the lack of a quorum another GA with the same agenda, to be convoked - at least half an hour after the originally set time, however within 30 days - the GA has a quorum irrespective of the number of members present, provided that the members were informed about this in the invitation.

General assemblies with the same agenda called again due to the initial lack of quorum - at least 1/2 hour later compared to the originally set time, but at least within 30 days - can pass decisions without regard to the quorum when the members were informed in advance in the general assembly's invitation and the location and date of the repeated meeting is also specified in the invitation.

3.1.6.

The GA makes its decisions generally by open votes.

A secret ballot has to be held, when 1/10 of the attending members with voting rights demand it.

3.1.7.

The General Assembly shall elect the Acting Chairman, who shall appoint the keeper of the minutes and two members to confirm the minutes.

3.1.8. Minutes shall be taken of the General Assembly. The minutes shall include the place, time and date of the general assembly, the presence of quorum, the election and names of the officers of the general assembly, a list of those present, the adopted agenda, the essence of the proposals, reports and speeches, as well as the verbatim text of the decisions adopted and the recommendations, the time and scope of the decisions and the number of those voting for and

against the decisions. Once adopted, the decisions of the general assembly are immediately verbally announced by the Acting Chairman to the participants at the General Assembly. The decisions of the general assembly shall be notified to the stakeholders in a justified manner. The written materials submitted to the General Assembly shall be attached to the minutes. The minutes shall be signed by the Acting Chairman, the two members confirming the minutes and the keeper of the minutes.

3.1.9. The General Assembly shall be conducted as follows:

a./ Following the opening of the General Assembly, the Acting Chairman of the General Assembly and the other officers of the General Assembly, namely, the acting chairman, the keeper of the minutes and the persons confirming the minutes, should be elected (if necessary, the latter also constitute a voting committee in case of a secret vote).

b./ The keeper of the minutes is appointed by the Acting Chairman. The keeper of the minutes may be a person other than a member (a member's representative).

c./ The Acting Chairman invites two members present to confirm the minutes, who agree to be present until the end of the meeting and confirm with their signatures the content of the minutes drawn up.

d./ Thereafter, the quorum of the General Assembly should be established. The quorum shall be examined before each decision to be taken. If a member is not eligible to vote on an issue, he shall be disregarded when establishing the quorum in respect of the given decision to be taken.

e./ In case of a quorum, the General Assembly votes on the adoption of the agenda.

f./ The Acting Chairman is responsible for keeping the order of the meeting; he may give an opportunity to speak, warn of exceeding the predefined time frame and departing from the subject, or cut off the speaker if he continues his conduct in spite of a warning. In the event of a disturbance, he may give a warning or suspend the General Assembly.

g./ After adopting the agenda, the Acting Chairman submits proposals submitted for discussion, defines the time frame for the speeches, conducts and closes the debate, and then conducts the voting.

h./ Information and reports that do not require a vote may be discussed under the "Other items" agenda item.

3.2. The COMPOSITION AND ELECTION OF THE PRESIDIUM

3.2.1.

Between two GAs the Presidium is the top executive organ of the Association.

Participants of the Presidium:

- a.) the President,
- b.) the Co-President
- c.) the Honorary Presidents
- d.) the Vice Presidents

- e.) the members of the Presidium
- f.) the Executive Director

The number of members of the Presidium is 24, and the Honorary Chairman, the Co-chairman and Managing Director may participate in the body in an advisory capacity.

The members of the Presidium are elected by the General Assembly for 3 years from the meeting. The Presidium members may be re-elected once. The Presidium members, with the exception of the Executive Director, carry out their work as an honorary activity.

3.2.2.

The Presidium's competence is:

- a) the direction of the Association's activity, in particular
- b) the permanent safeguarding of the Association's and its members' interests, formulating appropriate statements,
- c) maintaining contacts with other organisations and the co-ordination of standpoints,
- d) to keep contacts to government offices for the sake of the implementation of the Association's standpoints,
- e) the election of Vice Presidents from the members of the Presidium,
- f) the guidance and assistance of the PR-activity,
- g) the control of international contacts of the Association,
- h) the composition of opinions concerning comprehensive economic issues in conformity with the Association's objectives,
- i) decisions about co-operation with other national organisations, as well as foreign and international organisations,
- j) the convocation of the GA, the publication of the agenda based on propositions received, in convenience with relevant suggestions from at least 1/10 of the members,
- k) the approval of the organisational- and operational rules of the Association,
- l) the decision concerning the designation and revocation of the Executive Director, execution of the employer's rights towards the Executive Director,
- m) accession of full and associate members
- n) decision on appeals against the decisions of the Ethical Business Practices Committee and the decisions of the Managing Director terminating membership,
- o) submissions to the GA concerning the budget and in regard to the change of the number of Presidium members,
- p) the determination of the membership-fee,
- q) the determination of the membership-fee for supporting members,
- r) the election of the members of the Nominating and Mandate Verification Committee,
- s) the decision about issues which are not the exclusive competence of the GA.

3.2.3.

The member companies' office bearers authorised to represent the firm, may be elected for member of the Presidium with exception of the Honorary Presidents and the Co-President.

3.2.4 .

The Presidium holds its meetings as frequent as needed, however at least once every quarter of the year. The meetings are convened and chaired by the President, in case of prevention by one of the Vice Presidents.

The President has to convene the meeting, if 1/3 of the Presidium's members – indicating the reason – ask for it in writing.

The invitation to the meeting – specifying the date and the agenda – has to reach the Presidium’s members at least 8 days prior to the meeting.

The Presidium has a quorum, if more than half of its regular members are present.

3.2.5.

An open decision requires the simple majority vote of the attending regular members. In the case of a tied vote, the proposal shall be considered to be rejected.

Minutes have to be drawn up of the Presidium’s meetings. The Presidium’s member cannot be substituted.

3.2.6.

The Presidium has to report to the GA about its activity.

3.2.7

The mandate of the Presidium’s members ceases:

- with the expiration of the mandate,
- in the case of an assignment subject to a terminating condition, upon the occurrence of condition,
- with their resignation,
- with their death,
- with setting into force of a court decision concerning their confinement,
- with their revocation,
- with the expiry of their employment at the member company,
- if the capacity of the executive officer is limited in the scope necessary for carrying out his activity;
- upon the occurrence of any grounds for exclusion or conflict of interest in regard to the executive officer.

To assist the Presidium in its activity, provisional or permanent committees may be set up, inviting also external experts to participate, if required.

3.3. PRESIDENT

3.3.1.

The President directs the work of the Presidium.

3.3.2.

Authorised by the Presidium, he executes the employer’s rights towards the Executive Director.

3.3.3.

The President has full authority to represent the Association towards third parties.

The President may delegate his authority of representation to the Vice-Presidents, to other members of the Presidium, as well as to the Executive Director.

3.3.4.

The President has the right of making decisions in all such instances where the GA or the Presidium has no exclusive competence. He takes care of the implementation of the GA's and the Presidium's resolutions.

3.3.5. In case the President does not renew his mandate as president, the leadership election General Assembly may re-elect the former President as a Presidium member under clause 3.2.1, unless the President has previously resigned in writing or at the General Assembly. The mandate of the ordinary Presidium member thus created shall be governed by the general rules, so the Presidium member may be re-elected for one additional election term (3 years).

3.4. THE CO-PRESIDENT

Only a member of the government administration, who has the competence and ability of promoting the Association's objectives, may become Co-President of the Association. The Co-President is elected by the General Assembly. His/her mandate shall be for 3 years, which may be renewed once for a further 3 years. The Co-President may participate in the meetings of the Presidium in an advisory capacity.

The mandate of the Co-President ceases:

- with the expiry of the mandate,
- with his resignation,
- with his death,
- with ending of his position in the state administration.

3.5 HONORARY PRESIDENT

Every previous President of the Association shall automatically continue to be an Honorary Member of the Presidium for one additional election term (3 years), except if he is elected a Presidium member as set out in clause 3.4.5. or except if resigned in written form.

The Honorary president has the right to participate at the GA and at the meetings of the Presidium with consulting role.

The mandate of the Honorary President ceases:

- with his death,
- after 3 years,
- with his written resignation.

3.6. VICE-PRESIDENTS

The work of the Presidency is supported by two vice-presidents, who are elected by the members of the presidency from amongst themselves based on a proposal from the President. The Vice-Presidents personally supervise certain issues belonging to the competence of the Presidium and report in these matters to the GA directly.

The tasks of the Vice-Presidents and their range of competence is determined by the Presidium. In case of prevention, the President is replaced by the authorised Vice-President. If the President has not authorised any of the Vice-Presidents, the Presidium will determine the person who replaces him.

3.7. EXECUTIVE DIRECTOR

3.7.1.

The Executive Director (ED) manages the activities of the Secretariat. Directs the composition and implementation of the annual programme of actions, the determination of the Association's strategy. In this framework the ED takes care of the preparation and execution of the work to be accomplished by the independent administration, as defined by elected organs or the Statutes.

3.7.2.

The ED attends in a consulting role the GA and the meetings of the Presidium.

3.7.3.

With the permanent authorisation of the President, the ED represents the Association towards external parties – with the liability of reporting subsequently to the President.

3.7.4. The Managing Director decides, pursuant to article 2.3.5 of these Statutes, on terminating the membership of a member who fails to pay their membership fees.

3.8. SUPERVISORY BOARD (SB)**3.8.1.**

The GA elects the **5** members of the SB for **3** years period. The members of the SB may be twice re-elected. The SB elects President from among its members, by open vote, with simple majority.

3.8.2. Tasks and competencies:

The SB supervises the Association's activity, whether it is in conformity with the Statutes and the relevant rules of law, reports to the GA about its findings.

The Supervisory Board shall monitor the overall operation and management of the Association both in terms of legality and practicality and, in particular, the Presidium in order to protect the interests of the Association. It monitors implementation of and compliance with the law, the Statutes and the decisions of the Association.

The Supervisory Committee carries out its supervisory activities as ex-post control, with the exception of the annual budget and the financial report, which it shall review before they are submitted to the General Assembly.

3.8.3.

The Chairman and the members of the SB may attend the meetings of the Presidium, in a consulting role.

3.8.4.

The SB meets according to need, but at least every six months.

And has a quorum if at least three of its members are present. Decisions are made by simple majority voting.

The members may not be substituted.

The SB has the right of inspecting the Association's documents and accounts, to hear the office bearers, the Association's members or their employees.

3.8.5.

The SB membership ceases:

- with the end of the mandate,
- with resignation,
- with death,
- with setting into force of a court decision concerning confinement,
- with revocation,
- with termination of the employment at the member company.

3.9. ETHICAL BUSINESS CONDUCT COMMITTEE

3.9.1.

The 5 members of the are elected by the GA for a 3 years period. The Ethical Business Conduct Committee elects its Chairperson from among its members, at its first meeting. Any regular member of representative of a member can be a member of the Ethical Business Conduct Committee.

3.9.2.

The Ethical Business Conduct Committee compiles the Association's Code of Ethics, pays attention to its implementation and regularly upgrades it. The Code of Ethics has to be endorsed by the Presidium.

3.9.3.

The Ethical Business Conduct Committee takes position in cases when ethical breaches of members may be presumed and puts forward to the Presidium a proposal of sanctions against the member offending the Code of Ethics.

3.9.4.

Decides about the exclusion of a member in the first instance.

3.10. NOMINATING AND MANDATE VERIFICATION COMMITTEE

The Nominating Committee is responsible for nominating candidates for vacant positions at the Association in accordance with the Statutes, namely:

- President,
- Presidium member,
- Supervisory Board member,
- Ethical Business Conduct Committee member.

The five members of the Nominating and Mandate Verification Committee are elected by the Presidium of JVSZ for 4 years.

The Presidium designates the Chairman from the five members. If a position becomes vacant, the Presidium may nominate a new officer.

It shall also examine the positions of the Association that become vacant, in particular, the expiring mandates, and monitor compliance with conflict of interest rules. It is responsible for informing the Presidium of its activities.

The representative of any ordinary member may become a member of the Nominating and Mandate Verification Committee. At the same time as accepting the invitation from the Presidium, the member of the Nominating and Mandate Verification Committee shall declare that he will not act as an officer candidate for the next 4 years, nor will he accept any possible request concerning his nomination.

The Nominating and Mandate Verification Committee submits the list of candidates to the Presidium before calling the leadership election General Assembly.

Regardless of the list, every member is entitled to propose additional persons for the list of candidates at the leadership election General Assembly.

The proposals of the Nominating and Mandate Verification Committee submitted at the General Assembly shall be decided upon by the leadership election General Assembly.

3.11. MANAGING SECRETARIAT

3.11.1.

The administrative, executive organ of the Association is the Managing Secretariat, which is directed by the Executive Director (ED).

3.11.2.

The Managing Secretariat's task is to fulfil the aims and objectives set by the Presidium, thus taking care of the professional and institutional aspects of the Association's activities, as well as of the services for the sake of the membership.

3.12. CONFLICT OF INTEREST RULES

The conflict of interest and exclusion rules of Sections 3:22 and 3:26(2) of the Civil Code shall apply to the members of the Presidium and the Supervisory Board.

4. THE ASSOCIATION'S FINANCIAL MANAGEMENT

4.1.

The Association manages its finances independently, based on the membership fee income and in accordance with its annual budget.

4.2.

The incomes of the Association:

- a) Membership fees,
- b) Sponsoring,
- c) Programme revenues,
- d) Service revenues,
- e) Other.

4.3.

The membership fee is due by 1st March every year. In case of the membership extends to less than a full calendar year, the membership fee is payable for the full quarters left of the year only. An invoice is issued about the membership fee, which shall be paid by transfer or in cash.

4.4.

The Association warrants for its debts with its means.

The members are – apart of the full payment of the membership fee – not responsible with their own property for the debts of the Association.

5. TERMINATION OF THE ASSOCIATION

5.1.1. The Association shall terminate without a legal successor, if:

a) declared terminated by its members or founders; or

b) terminated by a body so authorised;

provided in all cases that the legal person is deleted from the registry following completion of the appropriate procedure for the settlement of the legal person's financial affairs.

further, if

c) the association has achieved its objective or achieving the objective of the association has become impossible and no new objective has been set; or

d) the number of members of the association has been below ten for six months.

5.1.2. Termination of the Association by succession:

The Association may not transform into another legal person and may only merge with other associations or de-merge into associations.

5.2. In regard to the remaining assets:

5.2.1. In case the Association terminates without a successor, any assets remaining after the satisfaction of the creditor's claims shall be transferred to another public-benefit organisation designated in the Statutes and established for an objective identical to or similar to that of the Association. The court of registration transfers the assets to organisations defined by the law in case the statutes do not contain a provision on the assets of the terminated association or if the non-profit organisation indicated in the statutes does not accept or may not acquire the assets.

5.2.2. The court of registration shall decide about the use of the remaining assets in the decision declaring deletion and, if necessary, appoint an administrator to carry out the asset transfer. The right to dispose of the assets shall transfer to the new beneficiary upon the deletion of the Association.

6. SUPERVISION OF THE ASSOCIATION

6.1.

The legal oversight of the Association is exercised by the public prosecutor's office.

6.2.

The Association is a civic organisation and registered by the Budapest Office for the Judiciary.

7. CLOSING STIPULATIONS

7.1.

Signature of the Association: under the printed or hand-written name of the Association, the **President**, the the **Executive Director** undersign individually, same applies to dispositions concerning the bank account.

7.2.

Any member is entitled to contest in court any unlawful decision of the Association within 30 days from obtaining information about it.

7.3.

For issues not handled by the Statutes, the provisions of the Civil Code (Ptk) and the 2011 Act No. CLXXV. apply.

7.4. The present Restated Statutes were approved by the General Assembly of the Association held on 4. April 2016.

Enclosures of the Statutes: Minutes of the GA – which is signed by the keeper of the minutes, the Acting Chairman and two attesting witnesses, as well as the attendance sheets listing the name, registered address and signature of each member and including the signatures of the Acting Chairman and two attesting witnesses.

Budapest, 12. May, 2016.

Péter Tálos
President

Represented by:
Dr. István Gortvay
Attorney-at-law