

ARTICLES OF ASSOCIATION

In a consolidated structure with all amendments

The undersigned **INTERCODE Szoftverügynökség Kft.** (registered address: 1031 Budapest, Amfiteátrium u. 23. VI. 50., company registration number: Cg.01-09-067016, represented by Erika Tukacs managing director, hereinafter referred to as “**Founder**”) specifies the Articles of Association in consolidated structure of the **Gyógyító József - DMD-Izombeteg Gyermek Alapítvány** (registered address: 1015 Budapest, Csalogány utca 6-10. II. 66., hereinafter referred to as “**Foundation**”).

Modifications are based on the Founder’s resolutions 5/2015.05.21., as well as 1/2015.07.17. and 1/2015.09.17 made pursuant to orders to complete deficiencies 7.Pk.61109/2002/15-I. and 7.Pk.61109/2002/17 issued by the Budapest-Capital Regional Court. Modifications are indicated with *bold, italic* font.

„I. Data of the Foundation

Name of the Foundation:

Gyógyító József - DMD-Izombeteg Gyermek Alapítvány

Registered address of the Foundation:

1031 Budapest, Amfiteátrium u. 23. VI.em.50.

effective date: May 21st 2015

Name of the Founder:

INTERCODE Szoftverügynökség Kft.

Registered address: 1031 Budapest, Amfiteátrium u. 23. VI.em.50.

Represented by: Erika Tukacs managing director

II. Legal status of the Foundation

The Foundation is a public non-profit organization.

The Foundation is an open association, any domestic or foreign private person, organizations with or without legal personality may join to support its objectives by donation in cash or in kind, or any other type of property assignment, provided that such person accepts the objectives of the foundation, and wishes to facilitate the implementation of its tasks. The Board of Trustees shall decide on the acceptance of the donations or property assignments.

Persons joining to the Foundation are not entitled to exercise the Founder’s rights (Civil Code 3:383.§).

Effective date: July 17th 2015.

Amounts offered by the donor are used for the purposes of the Foundation, as provided for in

the present Articles of Association. Anyone (including private persons or organizations) may receive the services of the Foundation, if no reason for exclusion exists for them regarding the objectives of the Foundation.

The Foundation is a publicly operated organization.

III. Contents of the Foundation's operation

The Foundation has been established for an indefinite period of time.

The Foundation does not pursue direct political activities, its organization is independent from political parties and politicians; it is not entitled to receive or provide support from or to them; it is not eligible to designate or endorse candidates for parliamentary or local government elections.

IV. Objective and activity of the Foundation:

A.

To make diagnostic tests, professional and material conditions of the healing activity more efficient of children struggling with Duchenne muscular dystrophy (DMD), as well as supporting the promulgation of the latest methods.

The Foundation does not exclude the possibility for others who are not its members to make use of its public services.

To achieve these goals, the Foundation carries out the above public activities in relation to public tasks set forth in Section 141 and Articles (1) – (2), Section 35 of Act CLIV of 1997.

Effective date: July 17th 2015.

B.

Public healthcare activities, health protection, healing and rehabilitation services, health preservation, disease prevention, healing and healthcare rehabilitation activity: - *ensuring the conditions suitable for rehabilitation activities (construction of building, provision of the necessary personal and material conditions).*

To achieve these goals, the Foundation carries out the above public activities in relation to public tasks set forth in Articles (1) – (2), Section 35 and Section 141 of Act CLIV of 1997.

Effective date: July 17th 2015.

Financial support for the treatment of children concerned: physiotherapy, therapeutic massage, isothermal treatments, rehabilitation treatments. Provision of equipment to support mobility of the concerned persons.

Contribution to ensuring basic needs for concerned families struggling with financial problems.

Supporting boarding, accommodation, educational, cultural and transportation costs of summer camps.

C.

Scientific activity, research.

Maintaining contacts with foreign partner organizations, supporting joint work and participation in congresses and conferences.

To achieve these goals, the Foundation carries out the following public activities in relation to public tasks set forth in 2. § c), 4. § (1) Art. d), 5. § (2) Art. d) of Act LXXVI of 2014: Cooperation in the establishment of middle-term scientific and innovation policy strategy.

Effective date: July 17th 2015.

D.

Education and training, skills development and dissemination of knowledge.

To achieve these goals, the Foundation carries out the following public activities in relation to public tasks set forth in Art.(1) a)-u), Section 4 of Act CXC of 2014:

Effective date: July 17th 2015.

Supporting boarding, educational, cultural and transportation costs of mid-year rehabilitation and educational meetings.

Carrying out status survey tasks. Assembly and maintenance of databases.

Building community, maintaining contacts with the concerned families.

Website development. Assembly and dissemination of informative flyers

Supporting charity family-friendly get-togethers.

Organization of further trainings for board of trustees members, volunteers and members of the concerned families.

Business:

The Foundation is not involved in investment activities.

To achieve its objectives and to provide financial conditions of its operation, the Foundation is entitled to pursue business activities, as well, provided that such activities do not jeopardize the implementation of the activities pursuant to the core objective set forth in these Articles of Association

(Art. (1) a), Section 34 of Act CLXXV of 2011 (hereinafter referred to as Ectv).

The Foundation is not entitled to divide the result acquired in the course of its business activity; such result must be spent on financing its objectives and tasks (Art. (1) c), Section 34 of Ectv). In the course of its business activities, provisions set forth in Sections 42 to 46 of Ectv must be adhered to.

The Foundation is not involved in direct political activities, its organization is independent from political parties, and does not provide financial support to them. (Art. (1) d), Section 34 of Ectv).

(Effective date: May 21st 2015).

The basis for the business activity is the budget prepared on the basis of the annual work plan of the Foundation. The draft budget is prepared by the Board of Trustees. In the course of business management of the Foundation, the ratios of revenues and expenses related to public and business activities must comply with the ratios specified in Ectv for a public non-profit organization. The method of the Foundation's book-keeping: double entry. The Foundation does not currently perform targeted and business activities in the NACE'08 class.

(Effective date: May 21st 2015).

V. Assets of the Foundation

Initial assets of the Foundation: 200 000 HUF, i.e. Two hundred thousand forints, granted by the founder to the Foundation in the following form:

INTERCODE Szoftverügynökség Kft..	200 000 HUF
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Additional assets of the Foundation comprise amounts offered and paid to the Foundation's bank account by supporting individuals and organizations joining to the Foundation following its establishment, as well as their donations in kind and other assignments of assets.

Rules of asset utilization

The Founder authorizes the Board of Trustees to use the current assets of the Foundation for the achievement of the Foundation's goals, whereas continuous and full delivery of the objectives specified in Chapter IV must be jeopardized.

The assets of the Foundation can be used for the purpose of the Founder's objectives as follows:

- initial assets of the Foundation,
- donations – including their yields – of the joining parties.

Assets of the Foundation can be spent on the expenses related to activities performed in accordance with the objectives of the Foundation; furthermore, the Foundation is entitled to grant support for the achievement of foundation purposes described in the Articles of Association. The support can be granted based on the decision of the Board of Trustees to facilitate the achievement of the objectives specified in the Articles of Association.

Support is granted by the Foundation within the frames of public tendering system available to anyone, or upon individual application.

When awarding the support, the eligibility of the beneficiaries must be checked for compliance with the objectives of the Foundation. At the same time, the accountability obligation of the beneficiary and continuous audit right of the Foundation must be registered, as well.

VI. Management organization (Board of Trustees) of the Foundation; its hierarchy and operation

The Board of Trustees is the management organization of the Foundation, which is entitled – within the scope of these Articles of Association – to make decisions regarding any issue related to the Foundation.

Members of the Board of Trustees may attend the Board meetings only in person.

The Board of Trustees is obliged to inform the Founder on the activities of the Foundation on annual basis.

Hierarchy of the Board of Trustees

The Board of Trustees is made up of 5 members.

Board Members are:

<i>Dr. Ágnes Herczegfalvi</i>	<i>1025 Budapest, Nagybányai út 46/A. I. em. 3. (Effective date: July 17th 2015)</i>
Dr. Helga Jentsch	1144 Budapest, Kerepesi u. 90.IX/39.
<i>Dr. Veronika Karcagi</i>	<i>1038 Budapest, Templom u. 56. (Effective date: July 17th 2015).</i>
Dr. Gabriella Oberrecht	1031 Budapest, Amfiteátrum u. 23. VI/50.
Ágota Simon	2000 Szentendre, Erdősor u. 5.

Board Members of are not entitled to any remuneration or reimbursement of expenses.

Board Members are appointed by the Founder.

Board Members are assigned for an indefinite period of time.

The Board of Trustees is the managing body of the Foundation. The Founders select two chairmen from the Board Members. The chairmen and Ágota Simon represent the Foundation individually.

Effective date: July 17th 2015.

***The Board Membership is terminated, if the Board Member resigns,
is replaced by the Founder,
dies.***

(Effective date: May 21st 2015).

Operation of the Board of Trustees

Meeting of the Board is summoned by the chairman, the meetings are public.

The Board of Trustees shall meet at least twice a year. Board Members must be sent written invitation at least 8 days prior to the planned date of the meeting. ***Invitations to the meeting of the Board Members are sent in the form of confirmable e-mails.***

The written invitation must include the agenda of the meeting. The Board of Trustees may make relevant decisions only regarding the issues included in the announced agenda, except if all Board Members are present, and none of them objects a newly submitted agenda.

In case if the Board meeting must be summoned again due to the lack of quorum, then the meeting shall be summoned again within 15 days. The relevant general regulation applies to the quorum of the repeated Board meeting.

Upon written recommendation by any two members, the chairman is obliged to summon an extraordinary meeting within 30 days. Should the chairman fail to summon the meeting within such time, any member becomes entitled to summon it.

Making decisions, voting process

Meetings of the Board of Trustees are conducted by the chairman. Decisions are made by open voting with simple majority of the Members' votes. Secret voting shall apply, if requested by any of the Members.

Minutes of the meeting shall be recorded, which is the responsibility of the chairman. The minutes shall be signed by 2 members.

Meeting of the Board Members has a quorum, if *at least half* of the Members are present.

(Effective date: May 21st 2015).

Decision made with at least two-thirds of the attending members' votes is necessary in the following cases:

- acceptance of the annual budget,

- *acceptance of the public report defined in the Ectv*

(Effective date: May 21st 2015).

- *decision on the continuation of the business activity*

(Effective date: May 21st 2015).

- concrete utilization of the amounts available for the purposes of the Foundation,

- approval of the Board charter.

Registration and announcement

The chairman is obliged to record the decisions made by the Board of Trustees to the Book of Decisions, indicating the contents, date and effect of the decision, as well as the ratio of the members voting for or against the decision, including their names in case of open voting.

The decisions must be communicated to all concerned parties in writing, in a verifiable fashion; furthermore, they also have to be published by public display to the Foundation's bulletin board located in the Foundation's headquarters.

The following information has to be displayed on the bulletin board located in the Foundation's headquarters:

- decisions made by the managing organization,
- Order of access to the document created in connection with the operation of the public non-profit organization,
- mode of operation and way of using the services of the public non-profit organization, publication of its decisions.

Operation-related documents of the Foundation – upon prior consultation with the chairman of the Board of Trustees – are available to anyone.

Anyone is entitled to access to and make copies at his/her own cost of the annual public benefit *annex* of the Board of Trustees.

Pursuant to the internal regulation prepared on the basis of these Articles of Association, the Board of Members shall prepare and submit to the Founder annual reports about its operation.

The Foundation ensures publicity of operation of the organization, the way of applying for its services and the publication of its reports by publishing this information on the Foundation's website. Internet address of the website: www.duchenne.hu.

Effective date: July 17th 2015.

Scope of the Foundation's authority:

1. Approval of the annual budget and *report on public use*, submitted by the chairman.
(*Effective date: May 21st 2015*).
2. Concrete utilization of amounts available for the objectives of the Foundation, in particular:
 - a/ announcement and assessment of tenders,
 - b/ decision on the payment of amounts that can be spent without tendering.
3. Measures taken to publish the decision in cases listed in Section 3
4. Approval of the Board charter
5. Determination of the agenda and time of the Board meetings.
6. Making all decisions within the scope of the Articles of Association necessary for smooth operation of the Foundation and for the achievement of its objectives.

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VII. Representatives of the Foundation:

- chairmen of the Board of Trustees: Dr. Herczegfalvi Ágnes and Dr. Oberrecht Gabriella, as well as board member Ágota Simon; all of them are entitled to represent the Foundation individually.

Chairmen of the Board of Trustees and board member Ágota Simon are appointed for an indefinite period of time.

Between the meetings, any Chairman or Board Member Ágota Simon may act individually on behalf of the Foundation.

Effective date: September 17th 2015.

This activity is restricted to the preparation for the Board meetings and execution of the decisions made by the Board, and – usually – no decisions can be made regarding issues that fall under the authority of the Board. If such decision must be made anyway in urgent cases, posterior approval of the Board must be applied for.

The chairmen and ***board member Ágota Simon*** shall take care of the modification of the Articles of Association via the Founder, as it may become necessary from time to time, and shall ensure that such modifications are transcribed to the court registry. The founder is only entitled to modify the Articles of Association without prejudice to the name, purpose and assets of the Foundation.

They shall take care of keeping the records on the Board decisions up to date by keeping the Book of Decisions.

Chairmen of the Board and board member Ágota Simon are entitled to individually dispose over the bank account of the Foundation.

Effective date: September 17th 2015.

Based on the authorization of the Board of Trustees, the ***chairmen and board member Ágota Simon*** are entitled to enter into labor contracts and other labor-related agreements.

The chairmen and ***board member Ágota Simon*** are obliged to ensure that book-keeping of the Foundation, the annual public benefit report and the public benefit ***annex*** comply with the effective legal requirements and that the documents are kept in an up-to-date and transparent fashion.

Chairmen of the Board of Trustees and board member Ágota Simon are entitled to individually exercise the Employer's rights over the employees of the Foundation.

Effective date: September 17th 2015.

VIII. Supervisory body

Should the annual revenue of the Foundation exceed ***Fifty*** million forints, the Founder is obliged to take immediate measures to form a supervisory body separated from the Board of Trustees. This supervisory body defines its own order of operation; its activities are regulated under the ***Ectv.***

(Effective date: September 17th 2015).

IX. Incompatibility rules applicable to the officers of the Foundation:

Any person, who – or whose close relative or life partner (hereinafter referred to as relative) – on the basis of a decision

- would be released from an obligation, or
 - would be beneficiary or otherwise interested in the concerned deal
- must not participate in the making of the underlying decision.

Non-cash services available to everyone without restriction pursuant to the Foundation's purposes are not regarded as benefits.

Any individual, who is

- chairman or member of the Board of Trustees,
 - in labor relationship or other labor-related legal relationship with the Foundation, other than his/her assignment, unless otherwise provided by the law,
 - beneficiary of the benefits provided by the Foundation, except for non-cash services available to everyone without restriction pursuant to the Foundation's purposes,
 - relatives of individuals specified above
- must not be assigned as chairman, member or auditor of the supervisory body.

Individuals, who were executive officers of a public non-profit organization for at least one year during the last two years prior to the termination of that organization,

a) which was terminated without a legal successor and did not settle its tax and customs debt registered at the state tax and customs authority,

b) for which the state tax and customs authority identified tax default of significant amount,

c) for which the state tax and customs authority applied business closedown measure or imposed fine substituting business closedown,

d) the tax ID of which was suspended or terminated by the state tax and customs authority under the act on the rules of taxation (Ectv. Section 39, Art. (1)).

cannot be appointed as member of the Board of Trustees for a period of three years from the termination of the previous public non-profit organization.

(Effective date: May 21st 2015).

Any executive officer or individual nominated for such position is obliged to preliminarily inform all concerned public organizations, if he/she holds similar positions in parallel at other public non-profit organizations.

Executive officer is an adult person not restricted in his/her legal capacities to the extent necessary to perform his/her activities (Civil Code Section 3:22.Article (1)).

Individuals sentenced in final verdict to imprisonment for committing criminal offence and not yet released from the sanctions related to his/her criminal record must not be appointed as executive officers (Civil Code Section 3:22.Article (4)).

Individuals banned from their occupation in a final verdict must not be appointed as executive officers of the legal person identified in the verdict, for the duration of the ban (Civil Code Section 3:22.Article (5)).

Persons banned from filling the executive officer's post must not be appointed as executive officers for the duration specified in the resolution on the ban.(Civil Code Section 3:22.Article (6)).

Beneficiaries of the Foundation and their close relatives must not be appointed as executive officers (Civil Code Section 3:397.Article (3)).

The Founder and his/her close relatives must not form the majority of the Board of Trustees (Civil Code Section 3:397.Article (4)).

Effective date: July 17th 2015.

X. Miscellaneous

The founders are entitled to check, if the Foundation operates in compliance with the legal provisions and the Articles of Association.

The Founder is entitled to access all documents of the Foundation, and to obtain information regarding its bank account. Should the activity of the Foundation jeopardize the achievement of the Foundation's goals, the founders are entitled to replace the Board of trustees or any member thereof.

Legal supervision over the operation of the Foundation is exercised by the Prosecutor's Office.

The Foundation is established, when it is registered by the court.

With respect to issues not regulated in this document, relevant provisions of Act V of 2013 on the Civil Code and Act CLXXV of 2011 shall prevail.

INTERCODE Szoftverügynökség Kft.”

Pursuant to Section 38, Article (2) of Act CLXXXI of 2011 (Cnytv.) I hereby certify that the text of the these consolidated Articles of Association is in compliance with the text of the articles of association effective with the modifications. Changes are indicated with bold, italic font.

Date: Budapest, September 17th 2015

INTERCODE Szoftverügynökség Kft.

founder, applicant
represented by **Erika Tukacs**
managing director