

The consolidated text of the

**DEED OF FOUNDATION
OF
ŐRZŐK PUBLIC FOUNDATION FOR CHILDREN WITH
TUMOUR AND LEUKAEMIA AT TŰZOLTÓ STREET**

Registered under no. 01-01-0000041 by the Metropolitan Court

**SUBSEQUENT TO THE AMENDMENTS AND CHANGES ON
MULTIPLY OCCASIONS**

by the Founders

The Foundation is and shall remain completely independent from any political party, it does not receive any support wherefrom, and it does not nominate any candidate to become member of the Parliament and shall not pursue such activity in the future either.

It shall not pursue any direct political activity; its organization shall be independent from and provide no financial support to political parties.

The Foundation shall be engaged exclusively in such economic and business activities, which shall not endanger the implementation of its public benefit activities or its activities in compliance with the basic objectives defined by its Deed of Foundation.

The profit generated from its activities shall not be distributed among its founders; it shall be spent on the public benefit activities defined by its Deed of Foundation. Presently, no business activity is pursued by the Foundation.

1. The Founders of the Foundation:

- The Hungarian Institute of Infant and Child Health
7-9. Tűzoltó str. 1094 Budapest, Pf. 83. 1450 Budapest
(Note: terminated without legal successor as of 31.12.1999.)
- Semmelweis University 2nd Department of Paediatrics
7-9. Tűzoltó str. 1094 Budapest
- Tamás Csizmadia (personal identifier: 1 4106240257)
27. Gilice square, 1181 Budapest

2. Name of the Foundation:

Őrzők Public Foundation for Children with Tumour and Leukaemia at Tűzoltó Street

(The reason for changing the original name briefly: is to distinguish it more definitely and clearly from foundations with similar denomination and objectives.)

3. Objectives and public benefit activities of the foundation:

The foundation pursues the following public benefit activities in order to achieve its objectives, that is, to improve the hospital environment of diseased children treated at the Semmelweis University 2nd Department of Paediatrics, the Hungarian treatment centre of children with tumour and leukaemia, as well as to promote the rehabilitation thereof:

- purchasing, renewing and replacing such equipment, that is necessary for the humane and advanced hospital environment,
- purchasing, changing, replacing furniture and toys to develop manual skills in order to enhance playful learning and occupational therapy,
- purchasing, changing and replacing audio-visual devices necessary for the occupational therapy, giving gifts to children with tumour or leukaemia, providing accessories for celebrations,
- providing recreation and rehabilitation programs for children and their families, as well as mental and financial support for the affected families,
- purchasing, maintaining and operating medical devices, medicines and equipment - that cannot be financed from the regular yearly budget of the hospital - which are essential for the treatment of patients,
- ensuring chemical agents, professional literature - that cannot be provided from other resources – to support up to date treatments and clinical research for identifying the optimal therapy and to assist the academic and research activities as well as professional training and participation in scientific conferences of the medical and supporting staff working with patients with leukaemia and tumour,
- supporting the Hungarian hospital treatment and rehabilitation of ethnic Hungarian children living beyond the border with leukaemia and tumour.

The above activities are pursued by the Foundation related to its public healthcare and social activities. The fulfilment of public activities is prescribed by the following legislation. In compliance with paragraph (1) of section 141 of Act CLIV of 1997 on health (Health Act), the state is responsible for the state of population health, and particularly for evolving the system of conditions needed for this, to make it possible for communities and individuals to maintain, protect and improve their health, and when necessary, to restore it to the extent possible. Furthermore, within the framework of state responsibility, pursuant to point e) of paragraph (3) of section 141, the state is responsible for regulating and ensuring the conditions of the systems of basic, post basic and continuing education in health, in accordance with point f) for supporting, organizing, and coordinating health research, pursuant to point g) for integrating information needed to adopt a healthy lifestyle into the education system.

In compliance with section 2 of Act III of 1993 (Social Act) on social administration and social services, providing the conditions of social care – besides the responsibilities of individuals for themselves and for their families as well as that of local communities for their members – shall be the task of the central and regional units of the state. The Foundation shall also pursue public benefit activities related to such services from the basic social services which are provided by the local authorities and the state, in accordance with points e) and h) of paragraph (1) of section 57 and paragraph (1) of section 56 of the Social Act for those families socially in need.

4. Founders' assets:

HUF 1,000,000, that is, one million forint

5. Seat of the Foundation:

7-9. Tűzoltó u. Budapest 1094

The Foundation shall be considered as a legal entity. The Foundation shall be established for an indefinite period of time.

6. Nature of the Foundation:

It shall be an open foundation.

All such Hungarian or foreign natural and legal persons as well as associations and organisations without legal personality may join the Foundation, who accept the objectives thereof and support it financially.

7. Organisation for the management of the special-purpose assets of the Foundation:

The decisive, administrative and representative body of the Foundation shall be the Board of Trustees, as the managing body of the Foundation, consisting of all members appointed by the founders thereof for an indefinite period of time.

No such member may be appointed into the Board of Trustees, who may be subject to dominant influence on the use of the assets of the Foundation by its founders or who is an immediate family member of the founders.

Neither the beneficiary nor its immediate family member may be appointed into the Board of Trustees.

Neither the Founder nor its immediate family members can be in majority in the Board of Trustees.

Exclusively such member may be appointed into the Board of Trustees, who complies with the following conditions [section 3:22 of Civil Code] and makes a declaration thereof:

(1) The executive officer must be of legal age and must have full legal capacity in the scope required for discharging his functions.

(2) The executive officer shall perform his management functions in person.

(3) Any person who has been sentenced to imprisonment by final verdict for the commission of a crime may not be an executive officer until exonerated from the detrimental consequences of having a criminal record.

(4) A person may not be an executive officer if he has been prohibited from practicing that profession. Any person who has been prohibited by final court order from practicing a profession may not serve as an executive officer of a legal person that is engaged in the activity indicated in the verdict.

(5) Any person who has been prohibited from holding an executive office may not serve as an executive officer within the time limit specified in the prohibition order.

The members of the Board of Trustees shall be appointed to their offices – based on the decision of the founders – for an indefinite period of time. Membership is established by the nomination of the Founders and acceptance of the requested member.

Offices of the Board of Trustees may cease by:

- resignation,
- upon the occurrence of any grounds for exclusion defined by the legislation [section 3:22 of the Civil Code and section 38 and section 39 of the Act on Right of Association, Non-profit Status, and the Operation and Funding of Civil Organisations],
- revocation.

Members of the Board of Trustees may be removed by the founders in case the realisation of the objectives of the Foundation is endangered thereby. [Point (2) of section 3:398 of the Civil Code],

Members of the Board of Trustees are not entitled to receive any remuneration; however may be recompensed for justified costs.

8. Way of using the assets of the Foundation:

The assets of the Foundation may be used for the objectives - determined by the present Deed of Foundation - in the amount as it is available on the date of accepting the annual financial budget thereof, with the restriction that the amount of HUF 100,000, that is, one hundred thousand forint shall be available on the bank account of the Foundation on each banking day. Unscheduled financial support received during the year shall be used on the basis of the decision of the Board of Trustees.

The Foundation is entitled to be engaged in such economic and business activities, which are fully in line with the basic objectives defined by its Deed of Foundation and shall not endanger the implementation of its public benefit activities. The profit generated from its activities shall not be distributed among its founders; it shall be spent on the public benefit activities defined by its Deed of Foundation.

9. Members of the Board of Trustees:

President: Ivor Miklós Garami Dr., 4 Szilágyi Dezső tér, 1011 Budapest

Vice-President: Tamás Constantin Dr., 26 Pozsonyi út, 1137 Budapest

Members: Tamás Bense Dr., Kis-Duna sétány 6, 2500 Esztergom

Krisztina Bicsák Dr., 5 Kalotaszeg u., 1116 Budapest

Gabriella Geda, 35 István u., 2225 Üllő

Erika Holló, 14 Petőfi u., 2225 Üllő

András Szabó Dr., 30 Kaszáló u., 2094 Nagykovácsi

Gábor Vörös, 26 Pozsonyi út, 1137 Budapest

According to point (1) of section 39 of the Act on Right of Association, Non-profit Status, and the Operation and Funding of Civil Organisations no such person shall be the executive officer of another public benefit organisation for a period of three years subsequent to the termination thereof, who had held a leading position in such a public benefit organization - for at least one of the last two years prior to the termination thereof -

a) which was dissolved without a legal successor without paying its public dues registered at the National Tax and Customs Authority,

- b) material tax deficit thereof was discovered by the National Tax and Customs Authority,
- C) closure of the business was ordered or a penalty as a replacement thereof was imposed thereon by the National Tax and Customs Authority,
- d) the VAT registration number thereof - in compliance with the Taxation Administration Act - was suspended by the National Tax and Customs Authority.

The executive officer or the person appointed thereto shall be obliged to previously inform all concerned public benefit organizations if such position is fulfilled thereby at another public benefit organization simultaneously.

10. Operating Rules of the Board of Trustees

Decisions shall be made by the full Board of Trustees. The Annual Budget, the Annual Balance Sheet, the Report about the activities thereof as well as any commitment exceeding the amount of HUF 5,000,000 shall be in the exclusive competence of the Board of Trustees.

The meetings of the Board of Trustees are public. Meetings are convened in writing, minimum 8 days prior to the date of the meeting by the President of the Board of Trustees announcing the agenda thereof.

Extraordinary meetings shall be convened on the date deemed necessary by the President or to the written request of minimum two founders.

The Board of Trustees shall constitute a quorum if more than 50% of the members are present at the meeting. The Member of the Board who is excluded from voting shall be considered present in regard to the quorum. In case the quorum is not attained, the meeting is reconvened in 15 days under the same agenda.

The meeting shall be chaired by the President or the Vice-President. The decisions of the managing body shall be adopted in an open vote by simple majority of the votes. In the event of a tie, the vote of the President or in case he is absent the vote of the Vice-President shall be decisive. In compliance with point (1) of paragraph 38 of the Act on Right of Association, Non-profit Status, and the Operation and Funding of Civil Organisations, no such person may participate in the decision-making process, who or whose close relative or registered partner (hereinafter referred to as: relative), on the basis of the decision, is exempted from an obligation or liability or obtains any other benefit therefrom or is otherwise interested in the legal transaction to be concluded. Such non-financial services, in the frame of the targeted grants corresponding to the founding document of the public benefit organisation, which may be used without any limitation by anyone, shall not be deemed as benefits. (point (2) of paragraph 38 of the Act on Right of Association, Non-profit Status, and the Operation and Funding of Civil Organisations).

Minutes shall be kept of the meetings of the Board of Trustees. The minutes shall contain the place and time of the meetings, the names of the participants, the content, date and substance of the decisions as well as the proportion of those in favours and against the decisions.

In such cases, when the decisions were not made by the body unanimously, the minutes shall contain the vote of each person separately.

The President of the Board of Trustees – in the more than one month absence thereof, the Vice-Chairman – shall manage the work of the Foundation according to its Bylaws formulated

within the frame of the Deed of Foundation and shall decide on such questions, which are not in the exclusive competence of the Board of Trustees, to his own responsibility subsequent to asking for the opinion of minimum one member of the Board of Trustees. He shall guard the financial and moral clarity of the work of the Foundation and the Board of Trustees.

Such registration shall be kept at the Foundation, from which the content, date, scope of the decision of the managing body (Board of Trustees) and the proportion of those in favour and against the decision as well as the person thereof can be determined.

Those who are concerned shall be notified about the decisions of the Board of Trustees within 8 days subsequent to the decisions by e-mail or registered mail in the absence of an e-mail address. The documents created in connection with the operation of the Foundation may be observed by anyone without any limitation based on prior consultation with the President of the Board of Trustees. The observation and the publicity thereof may be limited in case it would violate someone's personal rights or the rules of the Law on Data Protection. The decisions of the Board of Trustees, the method of its operation and the way of using the services thereof as well as the communication of the reports shall be published by displaying them on the web site of the Foundation.

Simultaneously with the approval of its Annual Report, the Foundation shall be obliged to prepare its Public Benefit Annex, which shall be published and deposited similarly to the Report thereof.

The Annual Report shall be approved by the Board of Trustees in compliance with the general rules of decision-making. The Report and Public Benefit Annex of the public benefit organisation may be observed and a copy thereof maybe made by anyone at his own cost.

The Annual Report and the Public Benefit Annex of the Foundation shall be sent to the National Office for Judiciary (NOJ).

The Public Benefit Annex and the Report shall be deposited in custody at the organisation for 10 years.

11. Supervisory Board:

The Foundation has a Supervisory Board consisting of 3 members. Auditing the Annual Report, the Public Benefit Annex and the Balance sheet, as well as monitoring the management shall be the tasks of the Supervisory Board.

In compliance with point (3) of section 38 of the Act on Right of Association, Non-profit Status, and the Operation and Funding of Civil Organisations no such person may be the President or member of the Supervisory Board, who is the President or member of the Board of Trustees, who is employed by or is otherwise in a legal relationship aimed at employment with the Foundation for the performance of an activity other than his assignment, or another legal relationship targeted at working, unless otherwise prescribed by the regulations, who receives targeted grants from the Foundation, except non-financial services available to anyone without limitation and targeted grants corresponding to the founding document granted on the basis of the relationship between the Foundation and its members, who is the relative of the persons defined above.

The Supervisory Board shall establish its own rules of procedure. The Supervisory Board shall be convened minimum once per annum. Notice, which also contains the points of the agenda, shall be given to the members 8 days prior to the meeting. The Supervisory Board shall have quorum if more than fifty percent of its members are present, the decisions thereof shall be adopted in an open vote by simple majority of the votes. The meetings of the Supervisory Board are public.

The operation and the management of the public benefit organisation shall be supervised by the Supervisory Board. In the course thereof, the Supervisory Board is entitled to require reports from its executive officers and information from its employees and it may have access to and inspect its books and documents. The Public Benefit Annex and the Balance Sheet shall be signed by the President of the Supervisory Board. The President of the Supervisory Board and the members thereof shall participate in the meetings of the Board of Trustees of the Foundation with consultation right.

The President of the Supervisory Board shall inform the President of the Board of Trustees and initiate the convening of the Board of Trustees if he learns of

- a) the occurrence of a violation of law, or an event (omission) otherwise seriously violating the interests of the organization in the course of its operation, which requires the decision of the Board of Trustees in order to terminate it or to avoid and reduce its consequences;
- b) a fact giving rise to the liability of the executive officers.

The President of the Supervisory Board shall initiate the convening of the Board of Trustees - within 30 days following the motion thereof. If this deadline is ignored, the President of the Supervisory Board shall also be empowered to convene the Board of Trustees.

If the Board of Trustees does not take action in order to restore the legality of operation, the President of the Supervisory Board shall immediately notify the organ carrying out the supervision of legality.

Members of the Supervisory Board

President: Csaba Tuncsik Dr., 2 Nap u., 1214 Budapest

Members: Zsuzsanna Korponay Dr. 9/b Tornóc u., 1141 Budapest

Judit Szabolcs Dr. 1-3 Attila út 1013 Budapest

12. Representation of the Foundation:

The Foundation shall be jointly represented by the President and the Vice-President thereof. The President and the Vice-President are entitled to initiate remittance from the bank account of the Foundation jointly. If either the President or the Vice-President is prevented from the representation of the Foundation, the President or the Vice-President and a denominated member of the Board of Trustees are jointly entitled to the representation thereof and they are entitled to dispose of the bank account as well.

Members of the Board of Trustees entitled to representation – besides the President and the Vice-President – if either of them is prevented therefrom:

Tamás Bense Dr., 6 Kis-Duna sétány, 2500 Esztergom

Representatives are entitled to accept financial commitments over HUF 1,000,000 on the basis of the prior written consent of the Board of Trustees exclusively.

13. Supervision of the Foundation:

Supervision of legality of the operation of the Foundation shall be carried out by the public prosecutor's office in accordance with the applicable laws.

14. Provision regarding the termination of the Foundation:

In the event of the termination of the Foundation without successor, the remaining assets - following the satisfaction of creditors - shall be divided among the foundations registered under the same the same seat as the Foundation: "A Tűzoltó utcai Gyermekklinika Betegeiért Alapítvány" (Foundation for the Patients of Tűzoltó Street Children's Clinic); "Tűzoltó utcai II. számú Gyermekklinika Alapítványa" (Foundation of Tűzoltó Street 2nd Department of Paediatrics); "SOTE II. Gyermekgyógyászati Klinika Játszóház Alapítvány ONKO-Haematológia" (Semmelweis University 2nd Department of Paediatrics ONKO-Haematology Playhouse Foundation).

In matters not regulated by the Deed of Foundation, Act V of 2013 on the Civil Code , Act CLXXV of 2011 on the Freedom of Association and on the Operation and Support of Public Benefit Organizations and Act CLXXXI of 2011, on the Court Registration of Civil Society Organisations and the related rules of proceeding thereof shall prevail.

Budapest, 9 April, 2018

Semmelweis University 2nd Department of Paediatrics
represented by Prof. Dr. András Szabó
Founder

Tamás Csizmadia
Founder

In compliance with the certification of the Hungarian State Treasury, under registration number TNY-155/1/2008, the Hungarian Institute of Infant and Child Health, founder, was terminated without legal successor as of 31.12.1999.)

Countersigned by Éva Erdei Dr., Counsellor