

ARTICLES OF ASSOCIATION

Statutes

of action medeor International Healthcare gmbH

ARTICLE 1 COMPANY'S NAME AND REGISTERED OFFICE

1. Company name:

action medeor International health care gmbH

2. The Company's registered office is in Tönisvorst.

ARTICLE 2 COMPANY OBJECTIVES, AREA OF OPERATIONS

1. The Company pursues exclusively and directly non-profit making objectives within the meaning of the stipulations of the chapter "Tax-privileged Objectives" of the Tax Code.
2. The corporate object consists of:
 - a. Providing development aid and
 - b. providing altruistic assistance to persons who, as a result of illness, have to rely on the support of others,
in the countries of Africa, South and Latin America, Asia and Oceania.
3. The Company provides development aid in the above mentioned countries in all fields of healthcare, particularly:
 - a. by creating understanding for the situation of people in the said countries;
 - b. by having produced in the countries mentioned or purchasing worldwide drugs and by despatching them to the distribution depots, hospitals, care units or physicians in the said countries in consideration of a fee which covers the Company's expenses;
 - c. by having produced in the countries mentioned or by purchasing worldwide medical appliances and consumables and by despatching them to distribution depots, hospitals, care units or physicians in the said countries in consideration of a fee covering the Company's expenses;
 - d. by making available pharmaceutical or medical expert advice to distribution depots, hospitals, care units or physicians in the said countries in consideration of a fee covering the Company's expenses.
4. The Company assists persons who, as a result of illness, have to rely on the support of others by despatching, free of charge, drugs or medical appliances and requisites to hospitals, care units or physicians in the said countries which benefit these persons, as well as by making available, free of charge, pharmaceutical and medical expert advice to beneficiaries in the said countries.
5. The object of pharmaceutical and medical expert advice consists of enabling pharmaceutical enterprises:
 - a. to have drugs examined and analysed with respect to their pharmaceutical quality;
 - b. to enable them to turn to a competent partner of pharmaceutical and medical expert knowledge and relevant experience as regards the manufacture of drugs and their use.

**ARTICLE 3
ALTRUISTIC QUALITY AND USE OF RESOURCES**

1. The Company acts altruistically. It does not primarily pursue commercial objectives for its own benefit.
2. The Company's resources may only be used for purposes which are compatible with its Articles of Association. No benefits may be paid to its shareholders out of the Company's resources.
3. The Shareholder may not be given any share in profits nor, in his capacity as Shareholder, any other benefits out of the Company's resources. When leaving the Company or in the event of the Company's dissolution (article 12 below), or if the corporate tax-privileges no longer apply to the company objectives, he is not entitled to more than the paid-up share capital subscribed by him and the market value of his contributions in kind.
4. No one may benefit from expenditure which is not compatible with the objectives of the Company or from disproportionately high expenditure.

**ARTICLE 4
COMPANY DURATION, FINANCIAL YEAR**

1. The Company is established for an indefinite period.
2. The Company's financial year is from 01 January to 31 December.

**ARTICLE 5
SHARE CAPITAL**

1. The Company's initial share capital amounts to €100,000.00 (in words: one hundred thousand Euro).
2. **The Association: Verein Deutsches Medikamenten-Hilfswerk "action medeor" e.V. herewith subscribes a share amounting to € 100,000.00.**
3. The initial share capital is payable with immediate effect in cash.
4. Shareholders are not liable to pay any contributions over and above the share capital subscribed by them.

**ARTICLE 6
MANAGEMENT AND SIGNATORIES**

1. The Company has one or several Managing Directors.
2. Two Managing Directors jointly or one Managing Director jointly with an "Prokura" Authorised Agent (holder of "Prokura" as defined in the German Commercial Code) sign on behalf of the Company. If the Company only has one Managing Director, he is at all times entitled to solely represent the company. Notwithstanding the first part of this sub-clause, the Company's General Meeting is entitled to grant the right of sole signatory authorization to individual Managing Directors and sole procuration to an Authorised Agent.
3. The Company's General Meeting is entitled to authorise one or several Managing Directors by passing a resolution to this effect to represent the Company, generally or in individual cases, when carrying out legal transactions with themselves or in their capacity as representatives of a third party, without any restrictions exemption from the restrictions of Article 161 of the German Civil Code.

4. The Shareholder is entitled to issue instructions to Management.
5. In the event of conclusion, amendment or termination of contracts of employment with a Managing Director, the Company is represented by the Shareholder.

**ARTICLE 7
APPROVAL OF STEPS TAKEN BY MANAGEMENT**

1. Management requires prior consent in the form of a shareholder's resolution for all transactions which are outside the scope of the Company's ordinary business.
2. The Company's General Meeting is to pass a resolution prescribing internal rules of procedure for Management which list the actions and steps which, within the meaning of clause 1 above, call for the Shareholder's consent.

**ARTICLE 8
COMPANY'S GENERAL MEETING AND RESOLUTIONS**

1. The Company's General Meetings are convened by Management. The Company's Ordinary General Meeting is held within the first six months of the financial year.
2. Invitations to the Company's General Meetings must be in writing, and have to be posted at least two weeks before the date of the meeting, not including the date of despatch and the date of the Meeting itself. The venue, time of the Meeting, and the agenda have to be stated in the invitation. Posting of the invitation may be replaced by handing the written invitation to the Shareholder's legal representative in exchange for a written confirmation of receipt.
3. Management is also obliged to convene the Company's General Meeting if demanded by the Shareholder. If Management fails to accede to such a request within a period of one week, the Shareholder is entitled to convene the General Meeting himself.
4. The Company's General Meeting is entitled to pass resolutions whenever the whole of the share capital is represented.
5. Without prejudice to mandatory statutory stipulations, shareholders' resolutions can also be passed in writing without the necessity of convening and holding a formal General Meeting.
6. Shareholder resolutions have to be recorded in minutes and signed by the Shareholder. One copy of the minutes is handed to the Shareholder.

**ARTICLE 9
GENERAL MEETING'S DUTIES, RESOLUTIONS AND APPROVALS**

1. The Company's General Meeting performs the duties incumbent on it by virtue of legal provisions and the present Articles of Association.
2. The Company's General Meeting decides on the following matters, in particular:
 - a. Amendments of the Articles of Association
 - b. Transformation of the Company
 - c. Dissolution of the Company
 - d. Adoption of the annual financial statements and allocation of the profit or loss
 - e. Appointment, dismissal of and discharge of members of the Management
 - f. Appointment of the Auditor
 - g. Issue and amendment of internal rules of procedure for Management
 - h. Approval of steps taken by Management in accordance with article 7 above, if applicable, in conjunction with internal rules of procedure

- i. Approval of the budget and staffing plan
3. Shareholders' resolutions are passed by a simple majority of votes cast, unless the law or the Articles of Association prescribe a larger majority. Every Euro 250 (in words: two hundred fifty Euro) of a share entitle to 1 (one) vote. Abstentions are deemed to be votes not cast.

**ARTICLE 10
ANNUAL FINANCIAL STATEMENTS, BUDGET**

1. Management is obliged to draw up the annual financial statements together with the Appendix and – if required by the law or by a shareholders' resolution – the Annual Report for the previous financial year, within the statutory periods.
2. Management is obliged to draw up the budget, the staffing plan and the Annual Report. The correctness of the accounts and the annual financial statements, including the status report if required, are to be confirmed annually by an auditor or firm of auditors. This shall not apply if legal provisions prescribe verification of the annual financial statements by an auditor and, where applicable, of the status report, in which case Management shall commission an auditor or firm of auditors with said verification.
3. Management is obliged to submit to the Company's General Meeting on completion and without delay the annual financial statements and the status report and, where applicable, the auditor's report, together with its recommendations for resolution concerning allocation of the profit or loss.

**ARTICLE 11
ALLOCATION OF RESULT**

1. Profits must be allocated to a reserve in accordance with clause 2 below or be carried forward to the next financial year. If profits are carried forward to the next financial year, they have to be used during that year exclusively and directly in the service of the Company objectives or to be allocated to a reserve earmarked for a specific purpose in accordance with clause 2 below.
2. The Shareholder may decide:
 - a. to allocate an excess of income over expenditure from the administration of assets, provided and to the extent that such allocation does not prejudice the tax-privileged status of the Company, and, furthermore, to allocate other resources for current use, provided and to the extent that such allocation does not prejudice the tax-privileged status of the Company, to a voluntary reserve (profit reserve);
 - b. to allocate the Company's resources, shareholder's contributions and other income, such as for example from donations and other contributions, provided and to the extent that such allocation does not prejudice the tax-privileged status of the company, to a reserve earmarked for a specific purpose (profit or capital reserve), if and as long as this is required to enable the Company to meet its objectives in a sustained manner, particularly with a view to financing long-term investment projects. The use for which these funds are intended must be stipulated by the Company's General Meeting at the time of formation of or allocation to the reserve.
3. Allocation of resources to another non-profit making corporation and/or public law corporation for use pursuant to the company's objectives as set out in Article 2 is permissible. However, fulfilment of the Company objectives through the allocation of resources may not predominate.

**ARTICLE 12
COMPANY'S DISSOLUTION AND LIQUIDATION**

1. In addition to dissolution of the Company through a corresponding shareholders' resolution dissolving the Company, the Company shall be dissolved in the event of a legally binding decision

by the financial authorities or a non-appealable judgment effecting cessation of the Company's tax-privileged position.

2. In the event of the Company's dissolution, liquidation shall be carried out by the Managing Director or Managing Directors, unless other liquidators are appointed by a shareholders' resolution.
3. In the event of the Company's dissolution or cessation of its tax privilege, the Company assets shall be transferred to the Deutsches Medikamenten-Hilfswerk "action medeor" e.V., which shall be obliged to use them exclusively and directly for non-profit making, charitable or church-sponsored purposes.

ARTICLE 13 NOTIFICATIONS

Official notifications issued by the Company shall be published exclusively in the German Federal Gazette, unless otherwise laid down by law.

ARTICLE 14 SAFEGUARDING CLAUSE

Should any of the provisions of these Articles of Association be or become ineffective, this shall not prejudice the validity of the remaining provisions. The provision concerned is to be substituted by one which is legally effective and which comes closest to the intended purpose of the ineffective provision. Should items of contractual relevance prove to be missing from these Articles of Association, they are to be supplemented by provisions as required that reasonably correspond to the overall object and purpose of these Articles of Association.

ARTICLE 15 COSTS

The costs incurred by these Articles of Association and their execution shall be borne by the Company up to the amount of € 2,500.00.

The Articles of Association end here.

◆ Notes, closing provisions

The Notary Public pointed out and drew attention to the following in relation to problematic issues:

- that the Shareholder is liable for payment of the initial share contribution, for protecting and preserving the initial share capital and for any difference between the initial share capital and the value of the Company assets at the point in time of registration of the Company;
- the content of paras 9, 9a and 9b, 19, 24, 30, 31 32a and 32b of the Law on Limited Liability Companies;
- the rules governing establishment of a company by means of non-cash capital contributions;
- liability with respect to capital-substituting loans and possibly in relation to other material values and rights placed at the disposal of the Company;
- that all parties acting in their own name carry personal and unlimited liability before the Company has been registered;
- that entrepreneurial activities outside of the present limited liability company carried out by a controlling or majority shareholder can lead to full liability of that shareholder, which liability can extend to his or her personal assets;

- the legal restrictions on competition affecting shareholders and managing directors, and the in some parts extremely strict formal and content-related requirements for agreements relating thereto (changes in Articles of Association, definition of work areas, any necessary remuneration agreements), which by virtue of their complexity make it necessary to acquire tax and legal advice on each and any such issue.

The Shareholder declared that the Company does not have any real estate.

All approvals required in relation to this official deed shall take effect on receipt by the Notary Public.

◆ Election of Managing Director

The Shareholder – represented indicated above – proceeded to pass the following resolution in the course of the first General Meeting of the Company:

- Mr Christoph Friedrich Bonsmann, born on 17 December 1965,
resident of Friederike-Fliedner-Weg 49, 40489 Düsseldorf

is appointed as Managing Director of the Company.

The Managing Director has the sole right and power to represent the company, even if further managing directors are appointed.

The present document was read to the parties appearing by the Public Notary, approved by them and signed before the Notary Public in their own hands as follows:

[3 signatures, the latter being that of the Public Notary]