

**Statutes of the Association
"humedica e. V."**

§1 Name, Location and Business Year

- (1) The name of the association is "humedica e. V."
- (2) The association is based at the following location: Goldstrasse 8, 6, 87600 Kaufbeuren (Germany). This location is registered in the Vereinsregister (register of associations).
- (3) The business year matches the calendar year.

§2 Purpose of the Association

- (1) The association pursues charitable and public welfare purposes.
- (2) The association's charitable purposes shall be pursued in particular by the following methods:
 - a) Provision of help for starving people, victims of disasters, refugees and people in other emergency situations, especially by:

providing medicaments, medical equipment and other medical supplies; food, shelter, clothes and other essential commodities.
 - b) Fight against poverty, in particular by:

creating education and training facilities; improving sanitary conditions and the quality of drinking water in order to avoid diseases; helping to create a secure basis of existence.
 - c) Delivery of medicaments, medical equipment and other medical supplies to hospitals, missionary stations and pharmacies for the poor for distribution to patients in need.
 - d) Building, maintenance and operation of children's homes, child day care centres and children's villages for orphans, half-orphans and other children living without parents.
- (3) The public welfare purposes shall include the promotion of youth welfare, old age welfare and welfare for the disabled. These purposes are pursued in particular by building, maintaining and operating kindergartens, schools, training facilities, homes and day care centres.

§3 Public Welfare and Use of Resources

- (1) The association shall directly pursue purposes of public welfare as defined in the "Steuerbegünstigte Zwecke" (tax-reduced purposes) section of the Abgabenordnung (rates and taxes code), and shall pursue such purposes only.
- (2) The association shall act selflessly. It shall not primarily pursue its own economic

interests.

- (3) Members in their role as members shall not receive grants taken from the association's resources. Upon leaving the association or upon the association's dissolution members shall not receive shares of the association's property.
- (4) No person shall be favoured by expenditures adverse to the association's purposes or by disproportionately high compensation. The association's resources may only be used for the purposes defined in these Statutes.

§4 Acquisition of Membership

- (1) Persons who support the association's objectives may become members of the association.
- (2) Membership is acquired by admission into the association. An application for membership must be directed in writing to the Managing Board.
- (3) Each application shall be validated by the Managing Board. Applications may be rejected by the Managing Board without naming a reason for doing so.

§5 Termination of Membership

- (1) A person's membership may be terminated by his/her resignation from the association, death, exclusion from the association or by dissolution of the association.
- (2) A person's resignation must be indicated to the Managing Board in writing, whereupon membership terminates immediately.
- (3) A member may, after being given a hearing, be excluded from the association by the Managing Board. Such exclusions may be performed:
 - a) if a member does not fulfil the obligations or meet the requirements even after being warned about such misbehaviour;
 - b) if a member severely violates the association's interests (whether at a professional or private level).

A members exclusion shall be performed by notification sent as a registered letter. The exclusion may be objected to within 14 days following the receipt of the registered letter. A definite decision on such objection shall be made at the next Members' Meeting with a two-third majority of eligible voters present. Until a definite decision has been made, that person's membership shall be suspended.

- (4) Even after termination of their membership, excluded members are sworn to secrecy in matters pertaining to the association or its members.

§6 Membership Fees

- (1) The fees to be paid for membership shall be determined by the Members' Meeting.

§7 Liability

- (1) For accounts payable in its name the association is liable exclusively to the extent of its property. Individual members of the association or of members of the Managing Board cannot be made to assume liability based on such membership in the association's internal relationship, provided liability does not result from an individual's intentional misbehaviour or culpably negligent behaviour.

§8 Organs of the Association

- (1) The association is made up of the following organs:
 1. The Members' Meeting
 2. The Managing Board
 3. Advisory board

§9 Members' Meeting

- (1) The Members' Meeting is the supreme decision-making organ. At least once a year, a Members' Meeting (main annual meeting) is held following at least 14 days' notice to all members by means of a simple written note indicating date, place and time as well as a preliminary agenda.
- (2) An extraordinary Members' Meeting shall be held if at least one third of the association's members call upon the Managing Board in writing to hold such a meeting, indicating the reasons to hold such a meeting. Invitations to such a meeting must be made at least 8 days prior to the meeting.
- (3) Decisions made in writing shall be permitted, if all members agree to such practice.
- (4) In general, the Members' Meeting represents a quorum with any number of members present. This shall not apply, however, to a dissolution of the association (see section below). If the Members' Meeting is not summoned in an orderly manner, decisions can only be made if all the association's members are present or represented by a legal representative and if no one objects to the decision made.
- (5) The Members' Meeting is eligible to make decisions with a simple majority of votes. A decision to dissolve the association or to change its statutes may only be made with a majority of three quarters of votes cast. A member may be represented by another member or by his/her spouse by granting that person a written proxy to do so, which must be presented to the meeting.
- (6) The course of a Members' Meeting shall be recorded in the minutes, which must be signed by at least one member of the Managing Board and by the keeper of

the minutes.

- (7) The tasks of the Members' Meeting are as follows:
1. Accepting the year-end results from the Managing Board
 2. Electing a trust company or auditor for the current business year
 3. Electing the members of the Managing Board
 4. Decision-making on the release of the Managing Board
 5. Decision-making on changes of the statutes
- (8) The validity of decisions made by the Members' Meeting may be contested by means of a lawsuit only within one month following the date the decision was made.

§10 Managing Board

- (1) The Managing Board of the association is made up of three people, who are elected as members of the Managing Board for a period of six years by the Members' Meeting.
- The Members' Meeting is also eligible to remove members of the Managing Board from their posts.
- (2) The chairperson of the Managing Board is solely eligible to represent the association, the two vice chairpersons are eligible to represent the association together.
- (3) Minutes covering the Members' Meetings shall be signed by two members of the Managing Board.
- (4) The tasks of the Managing Board are as follows:
1. Representing the association both in court and outside court according to §26 of Germany's Civil Code;
 2. Conducting the association's on-going business
 3. Electing the chairpersons of the Managing Board.

The Managing Board is entitled to give itself a set of rules.

§ 11 Advisory Board

- (1) The Members' meeting shall elect an Advisory Board. The Advisory Board shall consist of five people.
- (2) The members of the Advisory Board shall be elected for a period of three years.
- (3) The Advisory Board shall, as a controlling body, promote the entire activity of the association and give advice to the Managing Board.
- (4) To this end, the Advisory Board shall, if possible, convene with the Managing Board at least once within each half of the calendar year.

- (5) The Advisory Board shall be invited by the Managing Board at two weeks' notice and at the same time be informed about the agenda. The Advisory Board represents a quorum, if at least three of its members are present or being represented. The Advisory Board is eligible to make decisions with a simple majority of votes. Each member of the Advisory Board may be represented by another member of the Advisory Board by granting that person a written proxy to do so, which must be presented at the Advisory Board's meeting.

§12 Business Report

The association's income and expenditure as well as its accountancy shall be checked and audited by a trust company or an independent auditor after the end of each business year. By doing so, the auditor or trust company also acts as a cash auditor.

§13 Dissolution of the Association

Only the Members' Meeting may decide that the association should be dissolved. Such a decision may only be made if at least 75% of members entitled to vote are present. A decision to dissolve the association requires a three-quarter majority of such members present.

If the above-mentioned quorum is not given, a new Members' Meeting must be invited to convene within 14 days following that invitation. This new Members' Meeting shall make a decision based on a three-quarter majority, disregarding the total number of eligible voters present.

Should the association be dissolved or suspended, or should the purpose of the association cease to exist, the association's property shall be transferred to

Mercy Ships Deutschland e. V., Kaufbeuren, Germany,

by whom that property shall be used exclusively for public welfare purposes.

§14 Validity of Germany's Civil Code

Unless indicated otherwise in these Statutes, these Statutes shall be supplemented by the regulations defined in Germany's Civil Code pertaining to incorporated societies.