

ARTICLES OF ASSOCIATION

FUNDAȚIA PENTRU SMURD*

*(*translator note: Foundation for Mobile Emergency Service for Resuscitation and Extrication)*

Fundația pentru SMURD
ARTICLES OF ASSOCIATION

Chapter I

Name, legal form, headquarters, duration of activity

Article 1.1 Name

“Fundația pentru SMURD” is established under the Government Ordinance no. 26/2000 as amended, at the initiative of the Single Founder, Medical Doctor Raed Arafat.

Article 1.2 Legal form

“Fundația pentru SMURD”, hereinafter referred to as the Foundation, is a private legal entity, nonprofit, non-governmental and apolitical, independent of any other institution or person, Romanian or foreign.

Article 1.3 Headquarters

The foundation will be based in Târgu Mureș, Str. Gheorghe Marinescu no. 50, Mureș County, inside the Emergency Medical Unit of the County Emergency Clinical Hospital Târgu Mureș. The Foundation’s headquarters can be changed by the decision of the Board of Directors and only after the written approval of the Founder. Fundația pentru SMURD may establish branches in Romania.

Article 1.4 Branches

The Foundation may establish branches without legal personality in Romania. The Foundation is an independent Romanian legal person that can join international platforms or structures that have the same purpose as the Foundation.

The organization and operation of the subsidiaries will be regulated by the Internal Regulations which are an integral part of this Articles of Association.

Article 1.5 Duration of Activity

The Foundation will operate for an indefinite period of time. The Foundation will acquire legal personality on the day of its Registration in the Register of Associations and

Foundations and will cease its operations based on the dissolution according to the provisions of the law.

Chapter 2.

The object, the objectives and the principles of operation of “Fundația pentru SMURD”

Article 2.1 The object

The object of the Foundation is: to improve the quality of life of people living and working in Romania by supporting the development of the integrated, medical and technical emergency and first aid system, to operate independently and without obtaining profit; to promote the transparency and professionalism; to support the formation of a strong system of integrated healthcare, emergency and first aid technique through sustainable partnerships between the authorized institutions such as but not limited to the Ministry of Administration and Interior, namely the General Inspectorate for Emergency Situations and Special Aviation Unit, Ministry of Public Health, Local Public Administrations.

Article 2.2 Objectives

In accordance with these objects, the Foundation will have as objectives to support the public activities below:

- a. health and social assistance services, including but not limited to educational services, development of integrated services for emergency medicine and first aid
- b. establishment of mobile units for emergency and first aid
- c. services for disadvantaged persons, including but not limited to minorities and other disadvantaged groups
- d. promoting of other apolitical activities and without religious nature of public interest.

Article 2.3 Operating principles

- a. The Foundation will not support the political parties or the political organizations and will not conduct political activities.

- b. The Foundation will be an independent entity of the political parties, will not require support and will not accept help from these and will not promote or support the candidacy of any person or political party at any governmental level now or in the future.
- c. The Foundation will make every effort to cooperate continuously with the administrative authorities in exercise, such as but not limited to, the Ministry of Administration and Interior, namely the General Inspectorate for Emergency Situations and the Special Aviation Unit, Ministry of Public Health, Local Public Administrations.
- d. The Foundation's activity is open and transparent; its activity and its operations are based on the participation of the community; the Foundation will operate as an organization to support the development and improvement of the community services according to the provisions of the law. The Foundation can perform commercial activities only in order to achieve its social objectives and without compromising in any way these objectives.
- e. The Foundation will not support ecclesiastical organizations and will not conduct religious activities, but this circumstance will not prevent the Foundation to be associated with good faith and fair organizations in order to support the activities that meet the statutory criteria of the Foundation.
- f. The participation as a volunteer or donor to support the activity of the Foundation is open to anyone who agrees with its objectives and principles of operation. All the Foundation's activities will serve the interests of the community according to the decision of the volunteers who are active in developing the Foundation's operations in accordance with the provisions of this Articles of Association.
- g. The Board of Directors of the Foundation will continuously monitor the activity of the Foundation.
- h. The net profits obtained from the activity, if any, may be distributed or invested only for the benefit of achieving the objectives of the Foundation.

Chapter 3.

Initial assets, Sources of income and Bank accounts of "Fundația pentru SMURD"

Article 3.1 Initial Assets

On the date of its establishment, the initial assets of “Fundația pentru SMURD” is fifty-two thousand one hundred seventy-one lei (52,171 RON) deposited on behalf of “Fundația pentru SMURD” at the Banca Comerciala Romana* [*translator’s note: Romanian Commercial Bank] by the Founder.

Article 3.2 Funds Allocation

The funds donated to the Foundation for achieving the objectives proposed and for fulfilling the purpose proposed will be used to implement the programs and projects of the Foundation as well as to ensure its operation.

Article 3.3 Revenues

The Foundation can obtain financing from any source permitted by law under Article 2 of this Articles of Association as well as based on the Operational Principles and on the Regulations of Ethics and Conduct to be adopted by the Foundation, including but not limited to the following sources:

- a. interests and dividends arising from placing the amounts available (investments);
- b. dividends from commercial companies established by the Foundation;
- c. donations, sponsorships or awards;
- d. other revenues provided by law.

Article 3.4 Bank Accounts

The Foundation can open bank accounts in any bank legally authorized for financial transactions in Romania. The Chairman of the Board of Directors, with the approval of the Council, will annually appoint those persons to be authorized by the Council to carry out transactions in the Foundation’s bank account. The authorizations granted to these individuals may be limiting or conditional.

Chapter 4.

Foundation’s Management, Administration and Control

Article 4.1 Management

The Foundation's management consists of the Board of Directors and of the Executive Director.

The Foundation's internal control will be performed by an auditor or by a board of auditors, as appropriate.

Article 4.2 Board of Directors

The Board of Directors is the governing body for the management and administration of the Foundation and its original members are appointed by the Founding Member. Subsequently, the members of the Board of Directors will be appointed according to the provisions of Article 4.3 of this Articles of Association. The members of the Board of Directors will operate as unpaid volunteers, and will not have financial benefits from exercising the capacity of members in the Board of Directors. The Foundation's Board of Directors is composed of Chairman, Vice-Chairman and the Board of Directors members. The most important tasks of the Board of Directors are:

- a. the development and approval of the strategy of "Fundația pentru SMURD";
- b. the development and allocation of the Foundation's resources in accordance with the objectives of the Foundation and with the clauses of this Articles of Association;
- c. the coordination of the fundraising in order to meet the needs of the Foundation.

The Board of Directors draws up the administrative and activity regulations of the Foundation as well as the Regulations of Ethics and Conduct. These will include the following:

- Keeping the documents according to the provisions of the law;
- The transparent publication and announcement of the decisions made by the Board of Directors;
- The regulations for the inspection of the documents relating to the Foundation's activity.
- The public nature of the Foundation's activity, the methods of using the Foundation's services and the publication of its decisions.

The Board of Directors may establish advisory committees. The members of these committees can be volunteers from outside the organization but the chairman as well as the vice-chairman of each committee shall be a member of the Board of Directors.

The Board of Directors of the Foundation is able to undertake all the legal steps on behalf of the Foundation, including but not limited to:

- a. to establish the Foundation's policies and programs;
- b. to adopt the internal regulations of the Foundation, including the Regulations of Ethics and Conduct for the members of the Board of Directors, for the employees and volunteers;
- c. to delegate certain powers to an executive committee acting on behalf of the Board of Directors according to the internal regulations of the Foundation;
- d. to increase or restrict the number of the members in the Board of Directors;
- e. to appoint new members in the Board of Directors;
- f. to revoke the members in the Board of Directors for violating the Regulations of Ethics and Conduct adopted by the Board of Directors;
- g. to approve budgets, to authorize expenditures and to approve the balances and the balance sheets;
- h. to choose and to revoke the auditor or the members of the board of auditors;
- i. to transmit regularly for assessment the Foundation's books and records to an external auditor belonging to an authorized company, independent, company specialized in performing audits, and to approve the employment of this external auditor;
- j. to establish branches;
- k. to sign legal documents for and on behalf of the Foundation;
- l. to hire or to appoint an Executive Director;
- m. to approve the personnel structure;
- n. to modify the Articles of Association of the Foundation with the agreement of the Single Founder;
- o. to perform any other duties stipulated by law or by this Articles of Association.

Article 4.3 The Board of Directors members duration of office

The Single Founder appoints the initial Board of Directors, the initial Executive Director and the initial Auditor for the first term of office after the Foundation will acquire legal personality. The Single Founder will appoint a Chairman and a Vice-Chairman. The Chairman and the Vice-Chairman being in the exercise of their office on a period of 3 years.

When the term of the office expires, the Vice-Chairman will become Chairman and the Board of Directors will elect a new Vice-Chairman. The Board of Directors of “Fundația pentru SMURD” may establish a subordinated management structure, under the form of an Executive Committee as it is considered necessary based on the Internal Regulations to be adopted under this Articles of Association and according to the provisions of the law. The Executive Committee, where it will be established, shall consist of Chairman, Vice-Chairman and one or more members of the Board of Directors as the Board of Directors will decide.

The Board of Directors consists of not more than 15 members but no fewer than 3 members. The term for holding office by each member of the Board of Directors is of 3 years. In case of withdrawal, or departure of a member of the Board of Directors, for independent reasons, before the expiration of the term of office, the position remained unoccupied can be filled by another person until the term of office expires. The person who will occupy the position remained unoccupied can be recommended by any member of the Board of Directors.

The increase or the reduction of the number of the members in the Board of Directors, the appointment of new members in the Board of Directors can only be made after the express approval of the Single Founder.

After the expiry of the mandate of a member in the Board of Directors, the new member of the Board of Directors or the reelected member of the Board of Directors will hold office for a period of three years.

The number of the members in the Board of Directors may be increased by the vote of a majority of two-thirds (2/3) of the number of members present at the meeting. The revocation of a Board of Directors member requires the vote of a majority of two-thirds (2/3) of the number of members present at the meeting. Any member of the Board of Directors may be revoked only on grounds of breaching the Regulations of Ethics and Conduct adopted by the Council.

Article 4.4 The position of member in the Board of Directors

Any person can be elected member in the Board of Directors if this person:

1. has the legal capacity to perform the duties of a member and to act as a member in the Board of Directors;
2. accepts the terms of the Regulations of Ethics and Conduct adopted by the Board of Directors;
3. is chosen by the majority of the Board of Directors, and
4. is not in the situation of a conflict of interests.

All the members of the Board of Directors, including the Chairman, will operate as volunteers of the Foundation without remuneration, but they will be entitled to expenditure reimbursement according to the procedures approved.

The authority to attend the meetings and to vote on issues that are proposed for discussion to the Board of Directors pertains to the person designated as a member in the Board of Directors. A member of the Board of Directors may not delegate any other person to attend in his place at the Board of Directors meetings, however, the Board of Directors may adopt a regulation in order to establish procedures and situations in which the Board of Directors members may attend meetings by telephone, videoconference or by written power of attorney given previously to another member of the Board. If the Board of Directors amends and approves the regulation regarding the participation by telephone, videoconference or by power of attorney, it will become effective only at the next meeting of the Board after this measure was adopted.

Article 4.5 Board of Directors Meetings

The Board of Directors meets in ordinary sessions, not less than once per quarter. The Chairman shall convene extraordinary sessions as it shall deem appropriate, or in the cases where it is requested in writing by three members of the Board. Also, the Board of Directors shall meet in annual sessions that will take place within 11 months but not later than 13 months since the last annual meeting.

The Board of Directors meetings are convened based on a notice, specifying the date, place and the agenda which will be sent at least seven days before such meeting, by express mail, at the official addresses of the Board of Directors members according to the

Minutes of the Board meetings, or, at the request of a member of the Board of Directors, by fax or e-mail at an address or destination which the respective member has specified in the Minutes.

The presence quorum of any Board meeting is two-thirds (2/3) of the total number of the Board members. The participants by phone or based on the power of attorney can be taken into consideration in meeting the quorum if the regulations adopted by the Board specifies so. If a meeting is convened according to the regulation but there is no quorum, will be convened and will be held the second session – based on the notification and procedures set forth above – at least 15 days after the first session. At the second meeting, the Board of Directors has the authority to make decisions regardless of the number of members present.

In case of an emergency situation, a meeting can take place without a prior convening notice if the presence quorum of the Board adopts a formal waiver of the convening stating the emergency nature of the respective meeting.

The decisions of the Board, except those destined for amending this Articles of Association, for adopting or amending the Regulations of Ethics and Conduct, for revocating a member of the Board of Directors, or for increasing or reducing the number of members in the Board of Directors shall be taken by the simple majority vote of the members present. The vote for amending this Articles of Association, for adopting or amending the Regulations of Ethics and Conduct, for revocating a member of the Board of Directors, or for increasing or reducing the number of members in the Board of Directors requires a quorum of two-thirds (2/3) of the members present at the meeting. For approving the annual report, it is required a quorum vote of two-thirds (2/3) of the members present at the meeting.

A member in the Board of Directors will not be permitted to participate in the process of adopting a decision if he is a close relative, by alliance or any other person with whom the member in the Board of Directors maintains a relationship that can cause a conflict of interests, case in which he will be exempted from certain responsibilities and obligations, benefits or interests regarding the activity which is subject to the decision.

The Board of Directors meetings are recorded in the minutes of the meeting. At each meeting the first point on the agenda will be the presentation, amendment and approval of the previous meeting's minutes.

Article 4.6 The Chairman and the Vice-Chairman

A member of the Board, which is elected by the Board in the position of Vice-Chairman holds office for a period of three years as Vice-Chairman and after the expiry of the three years term of holding office shall become Chairman: the Chairman will hold office for a period of three years. A Chairman shall be able to remain in position for two consecutive terms of holding office.

a. The Chairman.

The Chairman of the Foundation's Board of Directors is a member in the Board of Directors. The Chairman of "Fundația pentru SMURD" will fill the chair for conducting the Board of Directors meetings. The Chairman has the following duties:

- a. to issue notices and to convene the meetings of the Board of Directors according to the procedure described above;
- b. to lead the sessions of the Board of Directors;
- c. to act on behalf of the Board of Directors according to the request and approval of the Board;
- d. to represent "Fundația pentru SMURD" in the public and private meetings as well as in the relations with the authorities;
- e. to perform any other duties provided by law;
- f. to act according to the internal regulations of "Fundația pentru SMURD".

The Chairman may delegate his authority under this Articles of Association and according to the internal regulations of the Foundation. Except the appointment and dismissal of the Executive Director, the Chairman may delegate the right to employ personnel within the Foundation, if this right was granted to him by the Board of Directors.

b. Vice-Chairman

The Vice-Chairman of the Foundation's Board of Directors is a member of the Board of Directors. During his tenure in the position of Vice-Chairman, the Vice-Chairman will know the composition of the committees and of the organizational structures of the

Foundation, will attend the meetings and the activities and will lead the Board of Directors meetings when the Chairman can not attend them.

Article 4.7 The Executive Director

The Executive Director is the head of the Foundation's current activities. The Executive Director is appointed by the Board of Directors observing the duties entrusted by the Board of Directors. The Executive Director is subordinated and reports directly to the Board of Directors within the meetings of the Board of Directors, and also is subordinated and reports to the Chairman or the Executive Committee (if it was appointed an Executive Committee) regarding the important issues that arise between the Board sessions. The Executive Director will attend all the meetings of the Board of Directors except where the Board will meet in order to discuss the performances of the Executive Director or his re-election. The Executive Director who is not a member of the Board of Directors will not vote at the Board meetings.

The initial Executive Director of the Foundation may be appointed by the Single Founder, however, if the initial Executive Director is a member in the Board of Directors he will not be able to vote on the matters relating to the activity performed by the Executive Director or regarding the re-election of the Executive Director. If the initial Executive Director of the Foundation is a member of the Board of Directors, its mandate will be granted for a limited period of time until the Board of Directors will decide to appoint an Executive Director who is not a member of the Board of Directors.

An Executive Director may be revoked based on the vote of the Board of Directors. All the other employees of the Foundation are subordinated and report to the Executive Director who has the authority to hire and to fire personnel based on the prior approval of the Board of Directors under Article 4.2 paragraph 5 (m) of this Articles of Association.

Article 4.8 Honorary Chairman

The Board of Directors may appoint a Honorary Chairman without the right to vote within “Fundația pentru SMURD”. The title of Honorary Chairman authorizes the respective person to act in official situations according to the Foundation’s objectives. The person who has been appointed to act as Honorary Chairman of the Foundation will

not fulfill any position and will not act on behalf of the Foundation without the prior express authorization of the Board of Directors.

Article 4.9 The auditor

The auditor provides the internal financial control of the Foundation and is appointed in this position by the Board of Directors for a period of 4 years. The auditor reports to the Board of Directors and is independent in all the other respects related to exercising his duties. At the termination of the single auditor's position, based on the development of the Foundation's activities, the Board of Directors may appoint a board of auditors consisting of at least 3 members instead of appointing a new single auditor.

The auditor or the board of auditors has/have the following duties:

- a. verification and auditing of assets, revenues and expenditures of the Foundation;
- b. preparation of the internal audit reports and their transmission to the Board of Directors;
- c. participation in the Board of Directors meetings, without voting rights;
- d. fulfillment of any other duties designated to the auditor by law or by the Board of Directors;
- e. cooperation and providing information according to the request of the external auditor that are necessary for the annual external audit.

**Chapter 5.
Founding Member**

The Single Founder is entitled to request activity reports of the Foundation's Managing Bodies, to dismiss the Board of Directors members if they act contrary to the wishes expressed by the founder or if they give evidence of mismanagement in the administration of the Foundation.

The Single Founder may attend all the meetings of the Board of Directors. If he attends the Board of Directors meetings he will chair the meeting.

The Single Founder may set the annual directions and priorities of the Foundation following to communicate this in writing to the Board of Directors at the last annual meeting to be held.

Chapter 6.

The dissolution

The dissolution of the Foundation will be performed according to the provisions of the law. After the payment of the Foundation's debts, the assets remaining after the liquidation will be transferred to a nonprofit legal entity that has an object of activity similar to the one conducted by the Foundation. The selection of the nonprofit legal entity to which will be transmitted the assets after the dissolution will be made in the session for dissolving the Board of Directors, based on a simple majority vote of the Board of Directors members present at the meeting.

Chapter 7.

Final provisions

This Articles of Association shall be completed with the provisions of the Government Ordinance no. 26/2000 of 30th of January, 2000, as amended, regarding the associations and foundations.

This Articles of Association was drafted and signed in 5 originals.

Single Founder

Dr. Raed Arafat

[Illegible signature]

[Handwriting on each page: Certified true copy]

[Illegible signature] - [On each page affixed the round stamp of: Fundația pentru SMURD – 2, Tax identification number 20177660, Romania]

[translator's note: on each page affixed the round stamp of the Notary Public Rozsa Balazs, Târgu Mureș – Romania]

End of translation