

RESEARCH ORGANISATION OF HUNGARIAN FAMILY PHYSICIANS

Statutes

Amended and consolidated version

(the text of the amendment is edited in *Italics*)

This deed is drafted and countersigned by:

.....
Dr. Schmidt Gábor, attorney-at-law

GENERAL PROVISIONS

§ 1

1.1. Name of the organisation: Családorvos Kutatók Országos Szervezete

Short name: CSAKOSZ

English name of the organisation: Research Organisation of Hungarian Family Physicians

2.2. *Seat: 7632 Pécs, Akác u. 1.*

2.3. Area of operation: Hungary

2.4. Legal status: non-profit organisation, independent legal entity

§ 2

OBJECTIVE AND ACTIVITY OF THE ORGANISATION

2.1. Objective of the organisations: Development of the professional and methodological level of research activity in the core medical attendance, including particularly:

- a) the requirement of Good Clinical Practice (GCP),
- b) planning of research programmes,
- c) implementation of research,
- d) evaluation of statistics,
- e) holding and publication of lectures,
- f) professional cooperation,
- g) multi-central research, etc.

2.2. Task of the organisation: Publication of the domestic and foreign results of the scientific branch. Organisation of family physician research programmes with special focus on public health duties,

- a) epidemiologic inspections,
- b) analysis of risk factors,
- c) analysis of prevention and nursing,
- d) examination of community healing,
- e) pharmacologic examination,
- f) cost and profit analyses,
- g) examination of life quality,
- h) analysis of the conditions praxis management,
- i) analysis of workforce situation,
- j) analysis of quality assurance,
- k) education and research.

2.3. Development of domestic and foreign professional relations and creation of new ones (joint research programmes, exchange of experience).

- 2.4. Presentation and discussion of research results at professional meetings and participation in their publication.
- 2.5. It will monitor educational issues and proposals concerning the special field and supports their solution with critique.
- 2.6. As necessary, it involves in the work specialists who are able to further the Company's objectives with their preparedness.
- 2.7. It has itself represented at domestic and foreign scientific sessions, conferences and congresses.

§ 3

In favour of the objectives set in § 2, the organisation

- will organise at least twice a year professional meetings for its members and invited persons, of which one takes place within the frameworks of the annual MÁOTE congress,
- will organise concrete research programmes and submits applications.

§ 4

Observing its tasks above and the objectives allocates to the realisation of the tasks, the organisation carries out the non-profit activities listed in Items C/1, C/2, C/3 and C/4 of Section 26 of Act No. CLVI of 1997.

§ 5

The organisation declares not to be engaged in direct political activity, further that its organisation is independent of parties and does not grant support to or receive financial support from parties.

It will not nominate or support representatives of Parliament and excludes the same also for the future.

The organisation does not exclude to provide its non-profit services to persons other than its members.

MEMBERS OF THE ORGANISATIONS

- 6.1. The following may be members of the organisation:
 - a) full right member,
 - b) supporting member,
 - c) student member,
 - d) honorary member.
- 6.2. Any natural person of age may be a full right member of the organisation who has graduated from university or college and is exercising his science or applying it in practice and obliges himself to keep the statutes of the organisation and has applied for membership in an declaration of entry and is admitted among the members of the organisation.

Any member of the management of the organisation may alone decide about admission. If, however, he is of the opinion that the application should be rejected, the application shall be submitted to the management.

The resolution of rejection, including the reasons, shall be communicated with the notice that a complaint may be lodged against the resolution to the general assembly within 8 days of receipt, also providing that such organ is entitled to pass the final decision.

- 6.3. Any natural or legal person may become supporting member of the organisation who supports the organisation in any manner and the general assembly approves him in agreement with the management provided that such persons support the operation of the organisation with financial or in kind contributions under separate agreement.
- 6.4. Any university or college student may become a student member if he is registered by the Management on the basis of the written statement of a member of the Company. Student membership shall be renewed annually and shall cease upon the receipt of the diploma.
- 6.5. Any Hungarian or foreign citizens who have achieved outstanding results in any branch of science of the organisation may become honorary members if they are approved by the resolution of the general assembly based on the proposal of the management.

§ 7

- 7.1. Subject to the restrictions concerning supporting, student and honorary members, all members shall have equal rights and equal obligations.
- 7.2. Each member
 - a) if he is a full right member of the organisation may attend the meetings of the bodies depending on his office and exercise their personal consulting, commenting, proposal-making and voting rights.
They may be elected to any office of the organisations provided that they meet the required conditions.
 - b) may participate in the activity and work of the organisation,
 - c) use the assets of the organisation in due manner,
 - d) take part in the programmes and events organised by the organisation,
 - e) make use of the allowances obtained and ensured for the organisation. Supporting, student and honorary members shall have consulting right but shall not have voting right and they may not be elected, either.
 - f) Supporting, student and honorary members shall have the right to comment and make proposals in the work of the organisation.
 - g) -
- 7.3. Members shall
 - a) observe the statutes and the decisions of the general assembly and the management,
 - b) safeguard the property of the organisation and to pay the membership fee at the cashier of the organisation in due time, Supporting members shall pay support under separate agreement.

Both the full right members and the supporting members of the organisation shall pay the membership fee respectively the support at the cashier of the organisation by 30 June each year at latest.

- c) attend the general assemblies depending on their position, and actively participate in the work of the organisation and performance of its tasks.
- d) behave towards their fellow-members in a manner to create and maintain reputation of the organisation.

§ 8

8.1. Membership shall cease:

- a) upon death,
- b) upon retirement,
- c) by cancellation,
- d) due to exclusion.

8.2. The intention to retire shall be notified to the management of the organisation by registered mail.

A member who is late with at least one year's membership fee and has failed to pay his debt within 15 days of the receipt of the notice of the management shall be cancelled by the management from the members' list.

8.3. Membership shall cease by exclusion if a member is excluded by the management (or, in case of appeal, by the general assembly) by a final resolution from the list of members.

A member of the organisation may be excluded if the member

- a) has regularly or intentionally caused damages to the organisation whether in financial or moral form,
- b) withdraws himself from the execution of the resolutions of the general assembly or the management or the execution thereof,
- c) has unlawfully abstracted the property or assets of the organisation or has unlawfully acquired business advantage whether for himself or any third party,
- d) has behaved towards another member of the organisation in a manner against good morals.

A member subjected to disciplinary procedure shall be given opportunity to submit his defence against the statements brought up against him.

A supporting member may be excluded if:

- its operations have become contrary to the objectives and tasks of the organisation.

Supporting membership shall cease if it is terminated without legal successor or if the supporting member fails to provide the support it has undertaken under separate agreement.

The member concerned may file an appeal against the resolution of exclusion to the general assembly within 8 days, and may turn to court within another 30 days of the resolution of the general assembly.

- 8.4. In case of death exclusion, the member shall be no longer obliged to pay membership fee but membership fees and any other fees that have already been paid may not be reclaimed.
- 8.5. In case of death, the management of the organisation may at its discretion refund time proportionate share of the membership fee based on individual judgement to the heir of the deceased member against verification of his capacity as such.
- 8.6. The claim for overdue membership fee or other fee may be enforced before court.

BODIES OF THE ORGANISATION AND THEIR OPERATION

§ 9

- 9.1. The bodies of the organisation as the following:
- a) general assembly,
 - b) management,
 - c) board of inquiry.
- 9.2. Only Hungarian citizens of age with clean criminal record may be elected members of the bodies listed in Paragraphs b) and c) of Section 9.1.
The executive officers are elected and contingently removed by *secret vote*.
- 9.3. The members of the management and the board of inquiry may not be close relatives.
- 9.4. The general assembly, the management and the board on inquiry shall pass resolutions in prescribed form and put them down to written form.
Resolutions shall be posted on the board at the seat of the Organisation within 8 days of adoption, also observing personal rights and the provisions of the Data Protection Act. The head of the body adopting the resolution shall provide for the publication.
Communication of resolutions to the persons concerned shall be ensured by the head of the body adopting the resolution in a manner that he sends the same to the person concerned by registered mail within 8 days, and also posts them on the board at the seat of the organisation except for resolutions concerning personal rights.
The chairman of the organisation shall also provide for posting the key data of the activity and management of the organisation on the board at the seat of the organisation.
The resolutions of the general assembly, the written resolution shall be signed by the acting chairman, the resolutions of the management shall be signed by the chairman of the organisation, while the resolutions of the board of inquiry shall be signed by its chairman.
The chairman of the organisation shall provide for keeping records from which the content, time and effect of the resolutions of the management, and the number (or, if possible, person) of those for and against the resolutions can be established.
The chairman shall also provide for making public the operation of the non-profit organisation, the manner its services can be used and its reports, including that the documents associated with the foregoing shall be posted on the board at the seat of the organisation.

GENERAL ASSEMBLY

§ 10

- 10.1. The supreme organ of the organisation is the general assembly which consists of all members.
- 10.2. The organisation shall hold general assemblies necessary and at least once a year, linked to one of the scientific sessions of that year.
General assemblies shall be convened by the chairman of the organisation or, in case he is prevented, by any member of the management or 1/3 of the full right members of the organisation in writing, disclosing its agenda, 8 days before the time of the general assembly.
A general assembly shall be convened if so initiated by the court.
- 10.3. In line with and in addition to the items stipulated by law, the following shall fall within the exclusive competence of the general assembly:
- a) election of the management,
 - b) removal of the members of the management,
 - c) election of the members of the board of inquiry,
 - d) removal of the members of the board of inquiry,
 - e) approval of the report of the management and the board of inquiry by 31 March of the year following the subject year at latest,
 - f) approval of the agenda of the general assembly,
 - g) approval of the statutes,
 - h) amendment of the statutes,
 - i) establishment of the membership fee,
 - j) resolution on admitting members (in case of a complaint filed against the rejecting resolution of the management of the organisation in the court of admission)
 - k) judgement of appeal against disciplinary resolutions,
 - l) exclusion of members of the organisation,
 - m) resolution on the merger of the organisation with other organisation or association, and resolution on the dissolution of the organisation,
 - n) approval of the non-profit report, approval by open vote of the annual report, also by 30 March of the year following the subject year,
 - o) election of honorary members,
 - p) any issues referred to the exclusive competence of the general assembly by law or the statutes.
- 10.4. The elected bodies of the organisation shall be responsible to the general assembly.
- 10.5. The general assembly shall have quorum if more than half of the members eligible to vote are present.
A general assembly which has failed to have a quorum shall be re-convened in writing by the chairman of the general assembly or, if he is prevented, any member of the management or 1/3 of the full right members of the organisation within 8 days, and shall have quorum with regard to the agenda items sent earlier irrespective of the number of those present.

Unless otherwise provided by law or these statutes, the general assembly shall adopt its resolutions by the simple majority of those present and being eligible to vote. In case of draw vote, the vote of the chairman shall decide.

- 10.6. The consent of 2/3 of the members being present at the general assembly shall be required for deciding on the matters below:
- a) approval of the statutes,
 - b) amendment of the statutes,
 - c) approval of the non-profit report,
 - d) approval of the annual report,
 - e) establishment of the membership fee,
 - f) merger of the organisation with another organisation or association,
 - g) election of honorary members,
 - h) termination of the organisation.
- 10.7. The members accept that no person who or whose close relative (Section 685 b) of the Civil Code) or common law spouse (hereinafter jointly referred to as relative) who, by virtue of the resolution
- a) is released of an obligation or responsibility, or
 - b) is granted any advantage or is otherwise interested in the legal transaction to be concluded,
- may not take part in the decision-making if the management body. Non-pecuniary services that may be used without restriction by anybody within the frameworks of the allowances of the non-profit organisation's objectives or allowances to the members of the organisation based on their membership in compliance with the objectives in the deed of foundation shall qualify as advantage.

MANAGEMENT

§ 11

- 11.1. The management is the executive body of the organisation with general competence, which shall ensure execution of the resolutions of the general assembly and also ensure the continuity of work during the period between two general assemblies.
- 11.2. The management of the organisation shall consist of 15 persons, including the chairman.
The chairman and other 14 members of the organisation shall be elected by the general assembly for 3 years.

Executive officers and persons nominated for such positions shall notify in advance all non-profit organisations concerned of that he fills in such position concurrently at other non-profit organisations.

The chairman shall nominate to secretaries from the members of the management, of whom the managing secretary is a member of the management staying in the vicinity of the current seat of the organisation. Secretaries shall be elected by the general assembly.

11.3. Only Hungarian citizens with clean criminal record whose right of representation is not restricted or excluded may take part in the management of the organisation. The members of the management may not be relatives of each other. Members of the management may not participate in adopting decisions if he or his relative is, by virtue of the decision,

- a) released from obligation or responsibility,
- b) granted any other advantage or is otherwise interested in the legal transaction to be made.

Non-pecuniary services that may be used without restriction by anybody within the frameworks of the allowances of the non-profit organisation's objectives shall qualify as advantage.

Any person who filled in an executive position at a non-profit organisation, for at least one year before the two-year period preceding its termination, which has failed to pay its public debt according to the Act on the Order of Taxation may not become executive officer of any other non-profit organisation for a period of two years of the termination of such non-profit organisation.

Executive officers and persons nominated for such positions shall notify in advance all non-profit organisations concerned of that they fill in such position concurrently at other non-profit organisations.

The executive officers of the organisation shall perform their tasks without consideration but may claim refund of their justified costs.

11.4. The current chairman is a member of the management with tasks including but not limited to the following:

- a) representation of the organisation,
- b) preparation of the non-profit report,
- c) keeping of records from which the content, time and effect of the resolutions of the management, and the number (or, if possible, person) of those for and against the resolutions can be established,
- d) ensuring the publication of the operation of the organisation, the resolutions of the management and the general assembly, the manner its services can be used and of its reports, in a manner that documents associated with the foregoing are posted on the board at the seat of the organisation.
- e) ensuring communication of the resolutions of the management to those concerned respectively publication thereof in a manner that the same are sent in writing to those concerned within 15 days,
- f) establishment of the salary of the employees of the organisation and exercising employer's powers vis-à-vis the employees of the organisation.

11.5. The management shall particularly

- a) organise keeping, handling and supervising the assets and property of the organisation,
- b) convene the general assembly and make proposal for its agenda, and send invitations,
- c) initiate and conduct disciplinary procedure against the members,
- d) initiate exclusion procedure against members,
- e) ensure the daily operation of the organisation,
- f) prepare the annual report of the organisation, and submission thereof to the general assembly together with the non-profit report,

g) attend all issues referred to the competence of the management be law or the statutes, respectively any issues not referred to the exclusive competence of the general assembly by the statutes of the organisation.

11.6. The management shall hold meetings as necessary and *at least twice a year* that shall be convened orally by the chairman of the organisation, disclosing the agenda. *The time of the first of the two annual meetings shall be so determined as to allow compilation of the working programme, determination of the annual tasks and discussion of the annual (non-profit) report on the operation and reviewing the management with the assets of the organisation.*

The meetings of the management shall be public. Nevertheless, any member of the management may propose holding a private meeting in connection with personal issues or support matters. The management shall decide on the same with the simple majority of votes.

The notice to the meeting shall be communicated in writing 8 days before the meeting, disclosing the agenda, except if all members are present at the meeting of the management and none of them objects to the agenda.

The management shall convene the general assembly within 30 days upon the proposal of 1/3 of the members and shall also convene the general assembly within 15 days in case of an appeal against a disciplinary resolution.

A meeting of the management shall have quorum if the majority of its members is present. Each member of the management shall have one vote. In case of draw vote, the vote of the chairman shall decide.

The management shall adopt its resolutions with the simple majority of votes *following public voting.*

A meeting of the *management* closed due to the lack of quorum may be re-convened by the chairman only at a time within three days. *The original invitation shall refer to the foregoing and to the procedure following the lack of quorum.*

Minutes shall be taken of the meetings of the management to be prepared by the keeper of minutes to be elected from the members of the management on a case-by-case basis, and shall be signed and authenticated by the keeper of minutes and the members present.

The minutes shall include

- a) the place and time of the meeting,*
- b) the name of those present,*
- c) the subjects (agenda) of the meeting,*
- d) the essence of the remarks,*
- e) the resolutions adopted.*

The documents of the organisation shall be kept in archives. The documents may be scrapped after the lapse of 10 years, observing the provisions of legal regulations on scrapping.

No person who or whose close relative or common law spouse (hereinafter jointly referred to as relative) is, by virtue of the resolution

- c) released of an obligation or responsibility, or
- d) granted any advantage or is otherwise interested in the legal transaction to be concluded,

may not take part in the decision-making if the management body. Non-pecuniary services that may be used without restriction by anybody within the frameworks of the allowances of the non-profit organisation's objectives or allowances to the members of the organisation based on their membership in compliance with the objectives in the deed of foundation shall qualify as advantage.

Following the expiry of their mandate, the members of the management shall remain in their office until the new management is elected.

- 11.7. The members of the management of the organisation may not be relatives or common law spouses of each other.
- 11.8. Any person may inspect the documents concerning the operation of the organisation, except for documents concerning personal rights and support, provided that his interest is verified.
Inspection shall be subject to the written consent of the chairman of the association, which he shall grant or refuse within 8 days of the receipt of the application.
 The same shall not apply to the non-profit report that may be inspected by any person without verifying his interest.

BOARD OF INQUIRY

- 12.1. The chairman and other two members of the board of inquiry shall be elected by the general assembly for a period of 3 years.
 The members of the board may not simultaneously have other office in the organisation.
 The following persons may not act as chairman or member of the board of inquiry or as auditor:
- a) the chairman or members of the management body,
 - b) unless otherwise provided by law, who has employment relationship or other relationship aimed at work for performing activities other than his assignment with the non-profit organisation,
 - c) who receives from the allowances of the non-profit organisation according to its objectives, except for non-pecuniary services that can be used by any person without restriction and the allowances of the social organisation given to its members based on their membership in accordance with the objectives laid down in its deed of foundation, or
 - d) relatives of the persons defined in Paragraphs a)-b).
- 12.2. The board of inquiry shall supervise the management of the petty cash and bank account of the organisation. To this end, the board of inquiry may and shall conduct inspections and all members of the organisation, including supporting members, shall assist in the work of the board of inquiry.
- 12.3. The board examine any issues concerning the operation and management of the organisation.
- 12.4. The board shall give the chairman or any member of the organisation written notice of any deficiency or behaviour infringing law, these statutes or the interests of the organisation it finds during its supervision.

In case the written notice brings not result, it may initiate convening the general assembly within 30 days.

- 12.5. The board of inquiry shall report on the business situation of the previous period at the general assembly.

The board of inquiry shall keep the following regulations in the course of its operation: the board of inquiry is supervising the operation and management of the non-profit organisation. In doing so, it may request reports from the executive officers and information from the employees of the organisation, and may access and inspect the books and documents of the non-profit organisation.

The members of the board of inquiry shall, respectively may attend the meetings of the management of the non-profit organisation with the right to consult.

The board of inquiry shall inform the management body entitled for action and initiate its convening if it becomes aware of that

- a) any event (omission) occurred during the operation of the organisation which is a gross breach of law or otherwise seriously infringes the interests of the organisation and the discontinuation or the prevention of the consequences of which requires a decision from the management body entitled to take action,
- b) fact establishing the responsibility of the executive officers occurs.

The management body entitled to take action shall be convened upon the initiative of the board of inquiry within thirty days of the initiative is made. In case such time limit lapses without result, the board of inquiry may also convene the management body.

In case the entitled body fails to take the actions required for restoring lawful operation, the board of inquiry shall promptly inform the body exercising legal supervision.

- 12.6. The board of inquiry shall have quorum if more than half of the board is present. It shall pass its resolutions with the simple majority of votes. In case of draw vote, the vote of the chairman shall decide.
- 12.7. The board of inquiry shall meet as necessary and at least twice a year. The meetings shall be convened by the chairman of the board or, if he is prevented, by any member of the board.

LEGAL PERSONALITY AAND ASSETS OF THE ORGANISATION

- 13.1. The organisation is a legal person and shall commence its activity from the adoption of the decision of the Baranya County Court ordering registration of the organisation.
- 13.2. For the time being, the assets of the organisation consist of cash.
- 13.3. The revenues of the organisation consist of membership fees, other fees, other income from the activities of the organisation corresponding to its statutes, and support from business associations and other institutions (institutional, etc.), and other revenues. Acting as non-profit organisation, the organisation may carry out undertaking only for achieving but not jeopardising its non-profit objectives. It may not distribute the profit from its management but, rather, shall use for its activities defined in the statutes.

The current chairman *and the managing secretary shall be entitled* to dispose over the bank account of the organisation. *The signing right shall be due in case both the chairman and the managing secretary signs.*

- 13.4. Pursuant to the provisions of the Civil Code on liability for damages, the members of the organisation shall be liable for the damages caused to the organisation in a culpable manner.
- 13.5. All movable assets remaining after the payment of all liabilities in case of the termination of the organisation without legal successor shall be managed and sold by the current chairman of the board of trustees of KORSZERŰ CSALÁDORVOS KÉPZÉSÉRT ALAPVÁNY (FOUNDATION FOR MODERN FAMILY PHYSICIAN TRAINING, Pk.60.119/2000/7). All funds received from the sale and all other cash funds shall be paid on the bank account of KORSZERŰ CSALÁDORVOS KÉPZÉSÉRT ALAPVÁNY.
- 13.6. The members empower and authorise attorney-at-law dr. Schmidt Gábor to draft these statutes and submit it to the Baranya County Court.