

**TRANSLATION ONLY**  
IN THE EVENT THERE IS ANY DISCREPANCY BETWEEN THE HUNGARIAN AND THE ENGLISH TEXT, THE  
HUNGARIAN ONE PREVAILS.

**ECR HUNGARY ASSOCIATION**

**BY-LAWS**

Consolidated text including all modifications and amendments that has been approved by the *General Meeting* on

**May 18, 2007.**

**1. §**

**NAME AND SEAT OF THE ASSOCIATION**

- |     |  |  |
|-----|--|--|
| (1) | Name of the Association:               | <b>ECR Magyarország Érdekképviseleti és Szolgáltató Egyesület</b>      |
|     | English name of the Association:       | <b>ECR Hungary Professional Representative and Service Association</b> |
| (2) | Short name of the Association:         | <b>ECR Magyarország Egyesület</b>                                      |
|     | Short English name of the Association: | <b>ECR Hungary Association</b>   |
| (3) | Corporate Seat of the Association:     | 2040 Budaörs, Liliom u. 15.  |
|     | Corporate Site of the Association:     | 1139 Budapest, Fáy u. 1/b.<br>c/o EAN (GS1)                            |

**2. §**

**LEGAL STATUS OF THE ASSOCIATION**

Associations are voluntarily established, self-governing, regularly operating legal entities, have registered Membership, suitable administration and representation organisation which organise their Members' activities in order to achieve their objectives.

**ACTIVITIES:**

**Main Activity:**

TEAOR'03      91.12      Professional representation

**Other Activities:**

TEAOR'03      74.13      Market research and public pooling,  
TEAOR'03      7414      Business and management consulting services

The Association may only carry on business activities as secondary activity.

The Association may carry out business activities for the purpose of achieving its main purpose stated in 3. § below and to provide the financial conditions necessary for the activities of the Association, however, such business activities shall not be the main activity of the Association.

The Association is an independent legal person. The Presidents and the General Secretary is authorised to represent the Association.

### **3. §**

#### **PURPOSE OF THE ASSOCIATION**

The Association, in the common platform for the industry and commerce as well as in the services industry, is aiming at expanding and utilising the reserves in the chain of supplies and the connected streamlines of information, as well as improving the supply of consumers with consumer focused methods. The purpose of the Association includes active participation in the harmonisation of the legal rules and regulation of the European Union into the Hungarian legislation, the preparation of other legal rules and regulations, and consulting services aims at providing cheaper, better and quicker consumer services to end customers. The Association also participates actively in promoting of standards and the preparation of regional standards.

In the filed of professional representation:

- informs the Members of legislative, scientific, environmental and consumer related questions,
- promotes emerging the fair market practice,
- represents the common position of the Members and participate, as a professional body, in the preparation of legal rules and regulations which has an effect on the activities of the Members,
- contributes to the promotion of the goodwill of the Association.

In realisation of the main purpose, the Association, among others,

- provides information to the Members,
- collects all relevant rules and regulations, interprets and evaluates the consequences thereof and provides these information to its Members,
- develops professional recommendations to its Members,
- surveys the common professional interests of its Members,
- provides professional guidance to the environmental activities,
- coordinates with governmental bodies, administrative organisations and others,
- at the common request of the related Members, assists to settle of any disputes among Members by means of mutual reconciliation and negotiations,
- cooperates with international associations, and through these activities, assists Hungary, as a member of the European Union, to harmonise of all legislative instruments into the professional regulations, transmits trends and practice of the European legislation to the Hungarian legislative and governmental bodies, and promotes the integration into the European professional associations,
- distributes the common professional opinion to the media, as well as to the general public.

The activities of the Association shall not, at any time, conflict with the rules and regulations on confidentiality, fair market practices and the prohibition of unfair commercial practices and antitrust regulations.

### **4. §**

#### **MEMBERS**

- (1) The Association has registered Members.
- (2) The number of the members of the Association is minimum 10 (ten).
- (3) Legal entities, as well as organisations of these without the status of legal entity, may be Members of the Association that:
  - a) carries on business activities in Hungary for the purpose and industries as described in 3. § above;
  - b) expressly states accepting the goals set by the Association, and their intention shall be certified by signing a Declaration of Joining the Association;
  - c) declares to be aware of and subject to the provisions of the By-laws; and
  - d) simultaneously pays the whole amount of the annual membership and a flat services fee.

All legal entities and organisations carry on business in Hungary in the industries described in 3. § above may apply for Membership from the Presidium of the Association, provided that they accept the goals set by the Association and undertake to pay the fees related to the Membership in the Association.

- (4) The Membership applications are to be submitted to the Presidium of the Association that decides on the admissions at its discretion.

(5) The Membership ceases if:

- a) any Member gives a 3 (three) month written notice stating its resignation on the last day of a calendar year;
- b) any of the Members, despite written demand, does not meet its obligations as stipulated in the By-Laws - with special regard to timely payment of the membership fee and/or the flat services fee.

Termination of Membership shall be decided by the resolution of the General Meeting.

(6) Rights and obligations of the Members:

- a) they participate in the activities of the Association;
- b) they display behaviour and proceed in public life in a way as determined in and corresponding to the objectives of the Association;
- c) they may elect and be elected in the organisation of the Association
- d) they have right to make proposals and cast votes in the supreme decision-making organ, i.e. the General Meeting.

(7) **Founding Members of the Association are:**

1. **AUCHAN MAGYARORSZÁG Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.01-09-730138  
Corporate Seat: 1113 Budapest, Bocskai út 134-146.
2. **Co-op Hungary Nagykereskedelmi és Szolgáltató Zártkörűen Működő Részvénytársaság**  
Company Registration Number: Cg.01-10-043522  
Corporate Seat: 1054 Budapest, Szabadság tér 14.
3. **dm-drogerie markt Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.13-09-078006  
Corporate Seat: 2046 Törökbálint, DEPO Pf.: 4.
4. **HENKEL MAGYARORSZÁG Termelési és Kereskedelmi Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.01-09-168340  
Corporate Seat: 1113 Budapest, Dávid Ferenc u. 6.
5. **METRO-KERESKEDELMI Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.13-09-069282  
Corporate Seat: 2041 Budaörs, Budapark, Keleti 3.
6. **SPAR Magyarország Kereskedelmi Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.07-09-009192  
Corporate Seat: 2060 Bicske, SPAR út 0326/1.hrsz.
7. **TESCO-GLOBAL Áruházak Zártkörűen Működő Részvénytársaság**  
Company Registration Number: Cg.13-10-040628  
Corporate Seat: 2040 Budaörs, Kinizsi út 1-3.
8. **Unilever Magyarország Gyártó és Kereskedelmi Korlátolt Felelősségű Társaság**  
Company Registration Number: Cg.01-09-078247  
Corporate Seat: 1138 Budapest, Váci út 182.
9. **Procter & Gamble Magyarország Nagykereskedelmi KKT.**  
Company Registration Number: Cg. 01-03-020676  
Corporate Seat: 1134 Budapest, Váci út 35.
10. **SCA HYGIENE PRODUCTS Higiéniai- és Egészségügyi Termékeket Gyártó Kft.**  
Company Registration Number: Cg. 01-09-716945  
Corporate Seat: 1021 Budapest, Budakeszi út 51.
11. **Masterfoods Magyarország Értékesítő Bt.**  
Company Registration Number : 01-06-118371  
Corporate Seat: 1113 Budapest, Bocskai út 134-146.

12. **Nestlé Hungária Kft.**  
Company Registration Number: 01-09-267926  
Corporate Seat: 1013 Budapest, Ybl Miklós tér 8.

(8) **New Members joining the Association from January 1, 2006**

13. **BAUMAX Magyarország Kereskedelmi Zrt.**  
Corporate Registration Number: Cg. 01-10-041647  
Corporate Seat: 1095 Budapest, Soroksári út 86.
14. **Bunge Növényolaj-ipari Zrt.**  
Corporate Registration Number : Cg. 01-10-041976  
Corporate Seat: 1139 Budapest, Petneházy u. 2-4.
15. **Colgate-Palmolive Kft.**  
Corporate Registration Number : Cg. 01-09-268159  
Corporate Seat: 1117 Budapest, Hauszmann Alajos u. 3.
16. **DANONE Tejtermék Gyártó és Forgalmazó Kft.**  
Corporate Registration Number : Cg. 01-09-076725  
Corporate Seat: 1106 Budapest, Keresztúri út 210.
17. **Johnson & Johnson Egészségügyi és Babaápolási Termékeket Gyártó és Forgalmazó Kft.**  
Corporate Registration Number : Cg. 13-09-088777  
Corporate Seat: 2045 Törökbálint, Tó park
18. **Kraft Foods Hungária Kávész és Édesipari Áru Értékesítő Kft.**  
Corporate Registration Number : Cg. 01-09-072280  
Corporate Seat: 1117 Budapest, Irinyi József utca 4-20.
19. **L'OREAL Magyarország Kozmetikai Kft.**  
Corporate Registration Number : Cg. 01-09-268100  
Corporate Seat: 1023 Budapest, Árpád fejedelem útja 26-28.
20. **RYNART TRANSPORT HUNGARY Kft.**  
Corporate Registration Number : Cg. 13-09-066441  
Corporate Seat: 2051 Biatorbágy, Rozália Park 11.
21. **SAP Hungary Rendszerek, Alkalmazások és Termékek az Adatfeldolgozásban Informatikai Kft.**  
Corporate Registration Number : Cg. 01-09-667656  
Corporate Seat: 1124 Budapest, Csörsz u. 41.
22. **Sara Lee Kávész és Tea Élelmiszer Feldolgozó, Csomagoló, Kereskedelmi Zrt.**  
Corporate Registration Number : Cg. 01-10-041570  
Corporate Seat: 1132 Budapest, Váci út 22-24.
23. **Magyar Telekom Távközlési Nyilvánosan Működő Részvénytársaság<sup>1</sup>**  
Corporate Registration Number : Cg. 01- 10- 041928  
Corporate Seat: 1013 Budapest, Krisztina krt. 55.

(9) **New Members joining the Association from February 15, 2006**

24. **Coca-Cola Beverages Üdítőital Gyártó (Magyarország) Kft.**  
Corporate Registration Number: Cg. 13-09-067506  
Corporate Seat: 2330 Dunaharaszti, Némedi út 104
25. **Infinite Sp. z.o.o.**  
Corporate Registration Number: PL Cg. 16222  
Corporate Seat: 20-150 Lublin, ul. Ceramiczna 8.

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<sup>1</sup> T-Mobile Magyarország Távközlési Részvénytársaság (1117 Budapest, Kaposvár u. 5-7. )  
The company has been deleted from the company registration due to transformation.  
Legal successor: Cg. 01 10 041928 Magyar Telekom Távközlési Nyilvánosan Működő Részvénytársaság.  
Registered: 2006. 02. 28. [Published in the Company Gazette No.:2006/12. ]

(10) **New Members joining the Association from April 07, 2006**

26. **Zwack Unicum Likőripari és Kereskedelmi Nyrt.**  
Corporate Registration Number: Cg. 01-10-042048  
Corporate Seat: 1095 Budapest, Soroksári út 26.

(11) **New Members joining the Association from July 01, 2006.**<sup>2</sup>

27. **EXEL HUNGÁRIA LOGISZTIKAI ÉS TANÁCSADÓ KFT.**  
Corporate Registration Number: Cg. 13-09-084532  
Corporate Seat: 2225 Üllő, Zöldmező u. 1.
28. **HOPI HUNGÁRIA LOGISZTIKAI KFT.**  
Corporate Registration Number: Cg. 01-09-734247  
Corporate Seat: 1037 Budapest, Montevideo u. 3. A.
29. **SEEBURGER INFORMATIKAI KFT.**  
Corporate Registration Number: Cg. 13-09-105258  
Corporate Seat: 2040 Budaörs, Szabadság utca 117.
30. **SYNERGON INFORMATIKAI RENDSZEREKET TERVEZŐ ÉS KIVITELEZŐ NYRT.**  
Corporate Registration Number: Cg. 01-10-044960  
Corporate Seat: 1047 Budapest, Baross utca 91-95.

(12) **New Members joining the Association from December 01, 2006.**<sup>3</sup>

31. **RECKITT BENCKISER KFT.**  
Corporate Registration Number: Cg. 01-09-073850  
Corporate Seat: 1036 Budapest, Lajos u 48-66

(13) **New Members joining the Association from March 01, 2007.**<sup>4</sup>

32. **BEIERSDORF VEGYÉSZETI TERMELŐ ÉS FORGALMAZÓ KFT..**  
Corporate Registration Number: Cg. 01-09-160767  
Corporate Seat: 1126 Budapest, Tartsay Vilmos u. 3.
33. **CSEMEGE-MATCH KERESKEDELMI ZRT.**  
Corporate Registration Number: Cg. 01-10-043573  
Corporate Seat: 1097 Budapest, Könyves Kálmán krt. 12-14.

(14) **New Members joining the Association from May 19, 2007**<sup>5</sup>

34. **BRAU UNION HUNGÁRIA SÖRGYÁRAK NYRT.**  
Corporate Registration Number: Cg. 08-10-001541  
Corporate Seat: H-9400 Sopron, Vándor S. u. 1.
35. **FRIESLAND HUNGÁRIA KERESKEDELMI ÉS TERMELŐ ZRT.**  
Corporate Registration Number: Cg. 09-10-000365  
Corporate Seat: H-4031 Debrecen, Köntösgátsor 5-7.

**5.§**

**BUSINESS MANAGEMENT OF THE ASSOCIATION**

- (1) The Association is responsible for its debts with its own assets. In addition to paying the membership fee and the flat services fee, the Members are not to be held liable for the debts of the Association with their own assets.
- (2) The assets required by the operation of the Association are covered by the membership fees and the flat services fees settled by the Members.

<sup>2</sup> Membership had been approved by Resolution No. 1/2006. of the Presidium.

<sup>3</sup> Membership had been approved by Resolution No. 1/2006. of the Presidium.

<sup>4</sup> Membership had been approved by Resolution No. 1/2006. of the Presidium.

<sup>5</sup> Membership had been approved by Resolution No. 5/B/2007 of the General Meeting.

- (3) It is the *General Meeting* that is entitled to determine the amount and payment terms of the membership fees and the flat services fees in a way that such fees should cover the operational costs planned for a calendar year in harmony with the calculations.
- (4) Membership fees and the flat services fees shall be payable for the respective calendar year in advance.
- (5) In case of failure or delay in settling the membership fee and/or the flat services fees, the Member concerned shall be called upon the payment in writing with a 30 (thirty) day notice. The legal consequences of the delay in settling the membership fee and/or the flat services fees shall be as stated in 14.§ below.
- (6) As the annual the membership fees and the flat services fees provide the financial basis for the operation of the Association, in case of termination of the Membership for any reason whatsoever, the Member shall not be exempt from the obligation to pay any unsettled membership fee and/or the flat services fee, and shall not be entitled to re-claim any settled membership fee and flat services fee, not even the proportional part thereof.
- (7) The budget year of the Association is identical to the calendar year.
- (8) In harmony with the regulations governing the business management of social organisations and according to the pattern and deadline as stipulated by the regulations on taxation, the Association is subject to accountancy reporting and settlement obligation towards the Hungarian State with regards to its revenues and expenses.
- (9) The annual report is approved by the *General Meeting*.

#### 6. §

#### ORGANISATION OF THE ASSOCIATION

The organisational structure of the Association is:

- a) *General Meeting*
- b) *Presidium* (Presidents and members of the *Presidium*)
- c) *General Secretary*
- d) *Working Committees*

#### 7. §

#### GENERAL MEETING

- (1) The *General Meeting* is the supreme decision-making body consisting of all the Members of the Association.
- (2) The *General Meeting* meets at least once a year, otherwise when it is necessary.
- (3) The *General Meeting* shall be convened:
  - a) for the purpose of approving the annual report within the deadline as stipulated by the Act on Taxation, when at the same time a resolution is passed on the tasks for the following year, as well as on the financial planning for the operation;
  - b) if the court so demands;
  - c) upon the proposal made by one third of the Members indicating the reason and the purpose therefore;
  - d) on the initiative of any member of the *Presidium* in case of unsuccessful decision is made by the *Presidium* giving the reasons for the urgency and importance;
  - e) upon the initiative of any of the Presidents;
  - f) in each case when the operational terms and conditions stipulated either in the present By-laws or in the statutory provisions are not met: for instance the number of Members drops below 10 (ten), or an officer resigns from his/her post, etc.
- (4) The Members are convened to the *General Meeting* by the *General Secretary* with the approval of any of the Presidents, giving the place, date and time, as well as the agenda in a written notice sent at least 10(ten) business days in advance of the scheduled date of the *General Meeting* via electronic mail and publishing of the invitation on the web site of the Association. Convening of the *General Meeting* is also regular if all the Members are present at a meeting and none of them have objection either against the holding of the Meeting or the items on the agenda. The proposed agenda is prepared by the *General Secretary* and approved by one of the Presidents. According to the terms of the By-Laws, the heads of the *Working Committees* are also entitled to directly propose items to the agenda of the *General Meeting*.
- (5) Should both of the Presidents are prevented, the *General Meeting* is conducted by the *General Secretary*. Should the *General Secretary* is also be prevented, an executive chairman is elected by the *General Meeting*.

- (6) The presence of 50% + 1 Member is required for the quorum of the *General Meeting*.
- (7) Each Member has the same rights and has one vote.
- (8) The *General Meeting* passes its resolutions each time in a way that the draft resolution in question is accepted upon the approving votes of 50% + 1 Member having registered Membership exclusively - irrespectively of the number of Members present at the *Meeting*. As a consequence, it is unnecessary to provide for the so-called repeated *General Meeting* in case of lack of quorum, since no effective decision can be made by a *General Meeting* without the quorum.
- (9) Votes are cast each time in an open way, by showing hands, including also the appointment of officers (*Presidents, General Secretary, head of a Working Committee, elected from among the Members*).
- (10) Minutes and an attendance sheet shall be prepared of each *General Meeting*. The keeper of the minutes and the authentication Member from among the Members participating in the voting are elected by the *General Meeting* on the opening of the *Meeting*. The protocol is signed by the chairman of the *General Meeting*, the authentication Member having participated in the voting and the keeper of the minutes.
- (11) The items on the agenda indicated in the invitation may be either modified or amended, and that shall be decided on by the *General Meeting* by way of voting.
- (12) Should the *General Meeting* fail to discuss of all of the items on the notified agenda through within a reasonable period of time, the *General Meeting* may decide on a so-called continuing meeting date which should be notified in writing only to the absent Members, possibly enclosing the minutes of the *General Meeting*. The rules on the quorum are also applicable to the continuing *General Meeting*.
- (13) The Members, the Presidents and the *General Secretary* have the right to make proposals and comments.
- (14) The following matters shall fall within the exclusive competence of the *General Meeting*:
  - a) approval of the annual report of the Presidium;
  - b) approval of the annual accounting report;
  - c) approval of the budget / target for the following calendar year subject to the purposes and tasks to be fulfilled;
  - d) decision on the amount of the annual membership fee and flat services fee;
  - e) decision on all personal matters, including the election and revocation of the Presidents, and the *General Secretary*;
  - f) decision on the termination of membership according to and as a legal consequences of the terms of 14.§ ;
  - g) decision on modification of the By-laws;
  - h) decision on the amalgamation of the Association with another social organisation;
  - i) decision on the dissolution of the Association.
- (15) The *General Meeting* shall have the right to establish of either permanent or ad-hoc *Working Committees* in certain matters.
- (16) Voting in writing

Resolutions of the *General Meeting* may be passed without holding a meeting. The proposed resolution is prepared by the *General Secretary* and approved by one of the Presidents. The proposed resolution is to be sent to the Members by the *General Secretary* in writing giving a 15 (fifteen) day notice and the Members shall vote in writing. The result of such voting shall be communicated in writing by the *General Secretary* within 8 (eight) days following of such voting process. The *General Meeting*, however, shall be convened by one of the Presidents in the event any of the Members requests so to discuss the proposed resolution.

## 8. § THE PRESIDUM

- (1) The Presidium, elected from among the Members, decides in the periods between *General Meetings*, on all issues that shall not fall within the exclusive competence of the *General Meeting*.
- (2) The Presidium consists of minimum 6 (six) and maximum 14 (fourteen) permanent members, if possible, elected on parity from the representatives of the industry and commerce. Members shall, if possible, be elected among the candidates, who is a member of the management and/or representative of the supreme decision making body of the relevant Member.

- (3) Observing members of the Presidium may also be elected. Such member shall not have a voting right in the Presidium. The qualification of observing member may be revoked at any time.
- (4) The Presidium consists of the Presidents, the General Secretary and the elected members. The members shall be elected by the General Meeting with an open election method and for an indefinite period time, with the remark that they can be recalled from their position with giving the reasons, and they may also resign from their position at any time. The Presidents shall be elected in a way that one of them shall be a representative of the industry and the other one of commerce in the Presidium. Members of the Presidium can be recalled from their position in case they do not perform their duties according to the present By-Laws and/or the resolutions of the General Meeting. The recalled Member may appeal at the relevant court according to Section 10. of the Law on Associations.
- (5) Should the membership of the legal entity Member of the Association cease in the Association, the natural person representing the legal entity shall not be a member of the Presidium any longer.
- (6) If the legal relationship between the legal entity Member and the natural person representing that Member is terminated for any reason whatsoever, the natural person shall not continue to be a member of the Presidium.
- (7) In each case of necessity the Presidium holds a meeting with an ad-hoc character, but at least 4 (four) times in a year.
- (8) The Presidium members are convened to the Presidium Meeting by the General Secretary, giving the place, date and time, as well as the agenda in a written notice sent at least 5(five) business days in advance of the scheduled date of the Presidium Meeting via electronic mail and publishing of the invitation on the web site of the Association. Convening of the Presidium Meeting is also regular if all the Presidium Members are present at the Meeting and they have no objection either against the holding of the Meeting or the items on the agenda. The proposed agenda is prepared by the General Secretary and approved by one of the Presidents. According to the terms of the By-Laws, the heads of the Working Committees are also entitled to directly propose items to the agenda of the Presidium
- (9) One of the Presidents or the General Secretary proceeds towards the Members of the Association.
- (10) Quorum of the Presidium exists if 50% of the members and one of the Presidents are present.
- (11) All members of the Presidium have equal rights and each of them has one vote.
- (12) The Presidium passes its resolutions each time in a way that the draft resolution in question is accepted upon the approving votes of 50% + 1 of the members - irrespectively of the number of members present on the meeting. In case of unsuccessful decision is made by the Presidium, than any member of the Presidium may call for an extraordinary General Meeting by giving the reasons for the urgency and importance of the case.
- (13) The following questions shall fall within the competence of the Presidium:

All matters that do not belong to the exclusive competence of the General Meeting, shall fall within the competence of the Presidium, which are the following:

- a) approval of the annual action plan together with the main strategies and projects;
- b) arrangement of preparing the accounting report of the Association and proposal for the General Meeting for approval;
- c) preparation of the draft budget/target for the following year subject to certain objectives and tasks to be fulfilled and the proposal for the amount of the annual membership fee and flat services fee accordingly;
- d) decision on the applications of new Membership requests;
- e) direction of the General Secretary when fulfilling his tasks;
- f) in case of need, establishment of permanent and ad-hoc Working Committees, appointment of the heads and co-ordination the work thereof;
- g) in case of need, delegate specific cases to ad-hoc sub-groups within a Working Committee;
- h) entitled to make use of the assistance of external experts;
- i) entitled to convene the General Meeting at any time;
- j) the Presidium members have the right to participate in the General Meetings and is entitled to make proposals;
- k) preparation and assistance of the work of the General Meeting: drafting the agenda, presenting the draft resolutions, etc which task can be delegated in specific cases to an ad-hoc sub-group within a Working Committee headed and called by the General Secretary.;

- l) maintain connections with the government and other authorities during the elaboration of rules of law which task can be delegated in specific cases to an Working Committee ad-hoc sub-group within a Working Committee headed and called by the *General Secretary*;
  - m) approval of the contracts to be concluded with external experts;
  - n) approval of the organisation of informal events and conferences;
  - o) controlling the fulfilment of the target of the annual budget on an on-going basis;
  - p) reporting to the *General Meeting* on the above questions.
- (14) Minutes is drawn upon each meeting of the *Presidium*, and in the matters subject to Section (12) above, the *Presidium* should include its resolutions in writing.
- (15) The officers of the *Presidium* elected by the *General Meeting* for an open ended period and with open method are:

**1. President** from October 21, 2005 :

Name: **TRACEY ROGERS**

**2. President** from April 07, 2006 :

Name: **HARALD FRASZCZAK**

- (16) Appeal against the Resolution of the Presidium

Disputes arising between the *Presidium* and their *Members* thereof should be attempted to be settled primarily by means of mutual reconciliation and negotiations. If these reconciliation talks remain unsuccessful, any *Member* of the *Presidium* may call the *General Meeting*, and then the dispute will be subject to the exclusive competence and final decision of the *General Meeting*. In such a case any of the *Presidents* shall call such *General Meeting*.

- (17) Voting in writing

Resolutions of the *Presidium* may be passed without holding a meeting. The draft resolution is to be sent by the *General Secretary* in writing to the *Members* with a 15 (fifteen) day notice and they shall vote in writing. The result of such voting shall be communicated in writing by the *General Secretary* within 8 (eight) days following of such voting process. The meeting of *Presidium*, however, shall be convened by one of the *Presidents* in the event any of the members of the *Presidium* requests so to discuss the draft resolution.

## 9. §

### THE GENERAL SECRETARY

- (1) The *General Secretary* is an external person independent from the *Members* who actively assists the *Presidium* and the *General Meeting* in the decision-making process, beyond seeing to and fulfilling daily administrative and operative tasks.
- (2) The *General Secretary* is elected by the *General Meeting* for an indefinite period with the stipulation that the *General Meeting* may revoke the *General Secretary* from his position without explanation, and the *General Secretary* may also resign from his position at any time. For the sake of careful procedure on the handing over of the affairs, the *General Secretary* will act for the Association for a further 30 (thirty) day period after the communication of the revocation or resignation. In case of revocation the *General Meeting*, may give exemption from this obligation partly or wholly.
- (3) The *General Secretary* may fulfil his activities in any form, which is decided by the *Presidium* within its own competence. Within the framework of the annual draft budget, the *Presidium* is entitled to establish remuneration for the *General Secretary*. In case of employment, the fact of revocation affects the termination of employment.
- (4) The *General Secretary* participates in the meetings of the *Presidium*, the *General Meetings*, as well as in the meetings of the *Working Committees*. The *General Secretary* maintains daily connections with the *Members* and the *Working Committees*.
- (5) The *General Secretary* is responsible for the administrative records of the Association, and carries out all other tasks designated for it by either the *Presidium* or the *General Meeting*.

- (6) The General Secretary is responsible for and the following questions shall fall within his competence:
- a) organizing the meetings of the organizations of the Association;
  - b) preparing the documents and minutes of the meetings, organizing the signatures thereof and distribution them among the Members;
  - c) fulfilling the tasks of operating the Association from the financial, administrative and organization point of view;
  - d) assisting the tasks of the Working Committees;
  - e) following-up, monitoring and coordinating the projects;
  - f) representing the Association, especially in front of authorities;
  - g) heading and calling any sub-groups within Working Committees to fulfil delegated tasks;
  - h) having a corporate signature authority, with the exception of signing any contracts which he has a personal connection with . (i.e.: where he would represent both contracting parties);
  - i) as member of the Presidium. having a voting right in Presidium meetings, with the exception of cases when the Presidium passes resolution with regard of the direction of the General Secretary;
  - j) managing the content of the web site owned by the Association (www.ecr.hu)
- (7) The General Secretary reports on his work to the Presidium regularly, and to the General Meeting upon request.
- (8) The General Secretary elected by the General Meeting for an indefinite period of time from October 30, 2006 is:  
Name: **BALOGH FERENC**<sup>6</sup>

#### **10.8** **WORKING COMMITTEES**

- (1) Both the General Meeting and the Presidium is entitled to establish either permanent or ad-hoc Working Committees for a certain scope of affairs. All members, permanent or observing, shall be entitled to be a member of the Working Committees.
- (2) The members of the Working Committees are from among the Members of the Association from one hand, and external experts may also participate in their work. Only Members of the Association may be the head of the Working Committee.
- (3) The Working Committees perform preparatory, research and analysing work of professional character. Forming of a Working Committee is subject to the projects approved by the Presidium in the annual action plan. Minutes of the meetings of the Working Committees shall be drawn up by the General Secretary.
- (4) The heads of the Working Committee(s), who are representing the Members of the Association, are entitled to directly propose items to the agenda of the General Meeting and the Presidium.
- (5) The Working Committees shall report on their activity to the General Meeting and to the Presidium annually, but also upon separate request.
- (6) The heads of the Working Committees shall be elected, if possible, in a way that one of them should represent the industry and the other one should represent commerce. The Working Committees elect the heads from its active members with simple majority voting of the present Working Committee members and the elections needs to be approved by a valid Presidium decision in order to be effective. The election is valid for the given calendar year if all other conditions permit.
- (7) The Working Committee members are convened to their Meeting by the General Secretary, giving the place, date and time, as well as the agenda in a written notice sent at least 5(five) business days in advance of the scheduled date of the Meeting via electronic mail and publishing of the invitation on the web site of the Association. The proposed agenda is prepared by the General Secretary and coordinated by the head of the Working Committee.
- (8) In the event the Presidium delegates any tasks to a Working Committee or a sub-group within a Working Committee, such tasks shall be carried out with the coordination of the head of the relevant Working Committee and/or the General Secretary.

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<sup>6</sup> Modified by the General Meeting held on October 30, 2006.

#### 11. §

#### REPRESENTATION AND CORPORATE SIGNATURE RIGHT

- (1) The Presidents and the General Secretary has representation and signature right on behalf of the Association towards third parties which means that the Presidents and the General Secretary may acquire rights and assume obligations on behalf of the Association. Exception from the above is when signing of any contracts or declaration which the General Secretary has a personal connection with, in which case the General Secretary shall not represent and sign on behalf of the Association .
- (2) Signing on behalf of the Association shall be carried out by one of the Presidents or the General Secretary, by signing their name singly above the name of the Association.
- (3) The signature right described in (2) above shall be applicable to manage the bank account of the Association.

#### 12. §

#### DISPUTES

Disputes arising between the Association and the Members thereof should be attempted to be settled primarily by means of mutual reconciliation and negotiations. If these reconciliation talks remain unsuccessful, the dispute will be subject to the competence of the County Court.

#### 13. §

#### TERMINATION OF THE ASSOCIATION

The Association can cease by dissolution, merger with another social organisation, dissolving by the court (illegal activity), or by establishment by the court to cease for lack of regular activity or of the sufficient number of members required by law.

#### 14. §

#### TERMINATION OF MEMBERSHIP

- (1) According to the decision of the High Court (BH2000.274) and according to terms of the By-Laws of the Association, termination of membership shall be decided in the event the preconditions of membership is ceased to exist. The present By-Laws are regulating the procedures to be followed in the event of the conditions for the termination of membership exist.
- (2) The Association shall operate in a democratic way, therefore only the General Meeting may pass a resolution which is the regulated, democratic way to decide upon termination of membership. Membership can only be terminated by a resolution of the General Meeting by following the procedure described below and a period of time elapsing without positive action of the Member in question in the event of non-payment or late payment of the membership fee and/or the fixed services fees. The membership cannot be terminated with an automatic effect in the event of negligent or wilful avoidance of payment, but giving a 30 (thirty) day notice period requesting for payment, therefore the Member in question shall be in the position to cure and prevent the fault during the given period of time.

#### 15. §

#### CLOSING PROVISIONS

- (1) Any statement has legal effect only if that was made in writing, and the delivery thereof can be proved. Within the territory of Hungary a registered mail is to be regarded as delivered on the 5. (fifth) calendar day after dispatch. A courier mail and a telefax message are to be regarded as delivered on the 1. (first) business day after dispatch and e-mails can be regarded as successfully delivered, if the sender receives a confirmation of the dispatch from the mail server of the addressee confirming the receipt thereof.
- (2) Should any provision of the present By-Laws proved to be ineffective or become invalid for any reason whatsoever, that shall not affect the remaining provisions, than the General Meeting, as the supreme organ of the Association, shall establish a valid provision which is the closest to the Members' intention and is suitable from legal point of view, as well.
- (3) If there is any change in the name or seat of the Association, or a new person shall be entitled to the represent the Association, that shall have to be registered at the County Court, which is competent at the seat of the Association.

(4) In other terms the public prosecutor's office will exercise legal supervision over the operation of the Association.

**16. §**  
**APPLICABLE LAW**

For all questions not regulated by the present By-laws the laws on associations prevailing at all times in the Republic of Hungary will be applicable.

We, the undersigned, hereby certify that the *General Meeting* of the Association held on **May 18, 2007** approved the above text of the By-laws by valid and successful voting.

.....  
**TRACEY ROGERS**  
Presidents

.....  
**BALOGH FERENC**  
General Secretary

Countersigned by in Budapest on May 18, 2007

.....  
**DR. STUBITS ZSUZSA**  
Attorney at Law