

CENTRAL EUROPEAN POLAR ASSOCIATION

ARTICLES OF ASSOCIATION

Deciding on the establishment of the Central European Polar Association in accordance with the provisions of Act V of 2013 on Civil Code and the Right of Association, the Public Benefit Status and Act CLXXV of year 2011 on the Operation and Funding of Non-Governmental Organizations, the members accept the statutes of the organization with the following content:

I.

The association's data

1. Name of the association: Central European Polar Association
2. Abbreviation of the Association: Közép-európai Sarkvidék Egyesület / Central European Polar Association
3. The association's foreign language name: Central European Polar Association
4. The seat of the association: 4th floor/26, Üllői út 187, 1091 Budapest, Hungary
5. The list containing the names and addresses of the founding members of the association is the first Annex to the articles of association.
6. Website address of the association: www.cepolar.com

II.

The purpose and activity of the association

1. The purpose of the association: The familiarization and dissemination of the culture of the indigenous people of the Polar region – Inuit, Saami, Nenets, Khanty, Evenk, Chukchi, Aleut, Yupik and the inhabitants of the Faroe Islands – in Central Europe. Bringing together people who are interested and committed to these folks; building a community network.
2. The activities of the association:
 - building and nursing cultural connections
 - Organizing and conducting cultural, community building and community nurturing events (E.g.: tours, picnics)
 - Organization and management of language clubs

- Publishing of books and publications, selling of these books and publications.
- Support for disadvantaged children
- Organizing and conducting arts and crafts courses and events
- Organizing and conducting cultural events (E.g. : lectures, exhibitions, movie evenings, literary evenings)
- Relationships with international and domestic organizations
- Receiving volunteers
- Submitting tender
- Making and Selling Gift Items, Selling Artworks of Polar and Faroes Artists
- Creating a collection of libraries available for researchers and translators in Polar folk and Faroe culture, and expanding and treasuring stock
- Providing information to Polar folks and Faroe inhabitants visiting the Central European region, offering cultural and touristic events and attractions

3. Entrepreneurship: In order to ensure the economic conditions for the realization of its purpose, the association may also engage in a business activity directly related to the realization of the purpose, but it may not be the main activity of the association. The proceeds from these activities may not exceed 60 percent of the total annual revenue.

III.

General regulations governing the operation of the association

1. The association does not conduct direct political activity; its organization is independent of parties and does not provide financial support to any of them.

IV.

The financial contribution

1. Members of the association pay a membership fee as a financial contribution. The membership fee is HUF 2000, which is payable within 8 days from the date on which the order for registration becomes final and subsequently it must be paid within 30 days of the yearly record date, in one amount, by transfer to the association's fund or the bank account of the association.

After the establishment of the association, a new member is obliged to pay within the year of the start of its membership in the association, within 8 days from the establishment of the membership status or following this within 30 days after the yearly record date in one amount, by transfer to the association's fund or the bank account of the association.

The association is a legal entity.

The assets of the association are made up of real estates and movable property, cash and receivables.

The assets of the association are mainly made from the fees paid by members and the membership fees, offerings, contributions and donations of legal and non-legal persons.

The Association pays for its debts with its own assets. Apart from paying the membership fee, the members of the association are not liable for the debts of the Association with their own assets.

V.

Membership

1. A member of the association may be a natural person, a legal person, a non-legal entity, both domestic and foreign, who agrees with the purpose of the association and wishes to actively participate in the activities to achieve the purpose and accepts the provisions of the articles of association.

VI.

Creation of membership status

1. Membership of the association is formed at the time of foundation upon registration into the association. After the formation of the association, membership is generated by the acceptance of the declaration of entry. The entry declaration must be accompanied by a recommendation from 2 regular members. The declaration of entry shall be submitted to the Presidency, which shall decide on the membership by an open majority vote within 30 days of the receipt of the request. After the decision is made it must be sent in writing to the applicant for membership within 8 days. If the application for membership is rejected, there is no legal remedy.

VII.

Termination of membership status

1. Membership status is terminated when:

- a. / a member quits the association.
- b. / a member dies or membership is lost without a legal successor.
- c. / a member is excluded.

2. The member's legal status may be terminated at any time, without any justification, by himself/herself with a written statement addressed to the association's Presidency. Membership status will be terminated on the day of the arrival of the statement to the Presidency.

3. The Presidency may, by open vote and by a simple majority, exclude a member who behaves in a manner that seriously or repeatedly violates the provisions of this article of association or the resolution of the General Assembly.

A member may also be excluded if he or she has failed to pay the membership fee for six months. Failure to pay the membership fee can only lead to exclusion if, following the omission of at least six months, the Presidency has written a notice - including an additional deadline and legal consequences of termination - to pay the remainder, and the notice failed to be met under the additional deadline period.

The exclusion procedure is conducted by the Presidency at the initiative of any member or association body. In the exclusion procedure, a member must be summoned to the meeting of the Presidency, with the warning that, being absent despite the official invitation, will not impede the meeting or decision making. During the meeting the member must be provided with the opportunity to defend itself. At the meeting, the member may be represented by a representative. The decision to exclude a member must be written and reasoned; the statement of reasons must include the facts and evidence on which the exclusion is based and the information on the legal remedy. The Presidency shall make the decision on the exclusion within 30 days of the initiation of the exclusion procedure and communicate it to the member concerned within 8 days after the date the decision was made on.

The excluded member may appeal to the general assembly of the association within 15 days from the date of service of the exclusion decision of the first instance Presidency. At its forthcoming meeting the general assembly decides on the appeal with an open vote and a simple majority. The decision of the general assembly shall be pronounced orally and within eight days by written and verifiable communication with the member concerned.

VIII.

Members' rights

1. A member of the association has the right to:
 - a./ participate in the activities of the association
 - b./ use the services of the association
 - c./ participate in the general assembly, exercise its right to vote, ask questions, make suggestions and make comments in accordance with the agenda of the general assembly
 - e./ to be voted an official, a member of the supervisory board of the association if there is no exclusionary reason against it

The member may also exercise his / her voting right through an authorized representative of the general assembly. The mandate given to a representative must be written in the form of a fully-certified private document and delivered to the president of the general assembly at the beginning of the general assembly.

At the general assembly, each member entitled to vote is entitled to an equal vote.

IX.

Obligations of members

1. A member of the association:
 - a./ does not compromise the achievement of the purpose of the association and the activities of the association.
 - b./ has to pay the membership fee until its due date.
 - e./ is obliged to comply with the articles of the association and the decisions and regulations of the decision-making bodies that apply to him or her.
 - d./ is obliged to report his/her address to the Presidency within 8 days of its change.

X.

The association bodies

1. The association bodies:
 - a./ General Assembly
 - b./ Presidency

2. Executive officials of the association:

- a./ President
- b./Presidency members

The General Assembly

1. The general assembly of members is the supreme decision-making body of the association.
2. The scope of the general assembly includes:
 - a) amendment of the articles of association;
 - b) the decision to terminate, merge and divide the association;
 - e) the election and recall of an executive official;
 - d) adoption of the annual budget, determination of the membership fee;
 - e) the adoption of the annual report, including the report of the managing body on the financial situation of the association;
 - j) the exercise of the employer's rights over the executive official if the official is employed by the association;
 - g) approval of the conclusion of a contract with the member of the association, its chief executive official, a member of the supervisory board or their relatives;
 - h) to decide on the enforcement of claims against current and former members of the association, executive officials and supervisory board members;
 - i) Election and recall of members of the supervisory board;
 - j) decision on any issue that is referred to by law or the articles of association.
3. The general assembly may be ordinary and extraordinary. The ordinary general assembly meets at least once a year.
4. The general assembly is called through invitation in a written and verifiable manner by the Presidency, at least 15 days before the date of the meeting, primarily to the seat of the association. Written in a verifiable manner means for example: by registered letter with acknowledgment of receipt, furthermore delivery to the electronic mail address of the member by acknowledgment of delivery (electronic receipt).

The invitation to the General Assembly contains the name, seat, location of the general assembly, the time and the proposed agenda items. The agenda items must be recorded in the invitation in at least enough detail so that the members eligible for voting can form their position. In addition, the invitation must include the location and date of the repeated general assembly in case of no quorum, and also contain a call to attention that during the repeated general assembly there will be quorum regarding the original agenda items with no regard to the number of members present.

The general assembly invitation must be made public at the seat and on the website of the association.

Within 5 days from the delivery or publication of the general assembly invitation, the members and the bodies of the association may request from the Presidency to supplement the

agenda with the justification of the addendum. The presidency decides on the addition of the agenda within 2 days. The presidency may refuse to supplement the agenda or grant the request. In case of acceptance, the supplementary agenda shall be communicated to the members in a verifiable manner within at least two days from the date of its adoption. If the presidency does not decide on a supplementary agenda, or the orderly delivery of the supplementary agenda cannot be established, the general assembly decides separately on the supplementary agenda, before a decision on the acceptance of the agenda is made, meaning that a question on a non-reported agenda can only be taken if all eligible persons are present and unanimously agree to discuss a non-agenda item.

5. The president shall convene the general assembly without delay to take the necessary measures if:

- a./ the assets of the association do not cover the debts owed;
- b./the association is not expected to be able to meet the debt on the due date; or
- c./the achievement of the goals of the association is endangered.

In such cases, at the convened general assembly, members are required to take action in order to terminate the cause of the summons, or to decide on the termination of the association.

6. The general meeting shall have a quorum if more than half of the members entitled to vote take part. The quorum must be examined at each decision.

7. After the opening of the general assembly, the quorum must be determined primarily, i.e. the number of members present who are eligible and entitled to vote compared to the current total number of members. The general assembly, before discussing the items on the agenda, elect a president with a simple majority of votes and an open vote, as well as the registrar and two verifiers, and, if necessary, the two members of the vote counting committee.

8. The report of the general assembly shall be recorded, signed by the registrar and the two verifiers. The report must include the names of the association, the seat, the location of the general assembly, the quorum of the meeting, the elected officials of the general assembly (president, registrar, verifiers), the agenda, the summary of the comments on the agenda, the decisions taken and their voting rates.

9. Members shall make their decision by taking into account the majority of the votes cast by the quorum. During decision making one cannot vote if,

- a) one is exempted from the obligation of the decision or is otherwise favored over a legal person;
- b) one is required to conclude a contract because of the decision;
- e) one is to be sued because of the decision;
- d) one has a relative, who is not a member of the association, who has a stake in the decision;
- e) one has a majority relationship with another party concerned with the decision; or
- f) one is personally interested in the decision.

10. The decision of the general assembly shall be made by simple majority vote and by open vote unless otherwise stated by the articles of association or law. The amendment of the articles of association requires a three-quarters majority vote of members present. The decision of the assembly to amend the purpose of the association and to terminate the association shall be subject to a three-quarters majority vote of members entitled to vote. In the case of a tie, the proposal shall be considered as rejected.

11. The decisions of the general assembly shall be announced verbally by the president at the general assembly and shall be made known to the members concerned in writing and in a verifiable manner within 8 days following the date of the decision, at the same time with the publication of the decision on the website of the association.

Presidency

1. The Presidency is the executive board of the association consisting of 3 presidium members, which decides on matters that are not referred to in the exclusive competence of the general assembly by law or the articles of association.

2. The members of the Presidency shall be elected by the general assembly for a fixed period of five years. The mandate of the members will be established by accepting their election.

The mandate of the executive official ceases:

- a./ after the expiration of the mandate;
- b./ with recall;
- c./ with resignation;
- d./ with the death of the executive official or if the position expires with no legal successor;
- e./ the limitation of the capacity of the executive officer to perform his / her activities in the required circle;
- f./ by reason of the exclusion or incompatibility of the executive official.

An executive official may resign from the mandate at any time with a statement to the association and another executive official. If the legal person so requires, the resignation shall be effected by the appointment or election of the new executive official, or in the absence of this no later than sixty days after the date of notification.

3. An executive official may be a person of age whose capacity to act is not limited by the scope of his or her activities. If the executive official is a legal person, the legal person is obliged to designate a natural person who performs the duties of an executive official on behalf of the legal person.

Rules for executive officials shall also apply to the designated person. The executive official has to attend to its duties personally. It is not possible to be an executive official who has been sentenced for a criminal offense and convicted to a custodial sentence until the

disadvantageous consequences of a criminal record have been exempted. One cannot be an executive official who is subject to a judgment prohibiting public affairs (Section 61 (2) (i) of the Criminal Code). One cannot be an executive official who has been legally prohibited from taking up this profession. Persons who have been banned from a profession by a legally binding judgment shall not be an executive official of a legal entity carrying out the activity indicated in the judgment under the prohibition. One cannot be an executive official who has been forbidden from serving as an executive official for a period of time specified in a decision declaring this prohibition

4. Executive officials of the association:

The president of the association: Mária Katona (mother's birth name: Mária Pintye, residing at 4th floor/26, Üllői street 187, 1091 Budapest)

Members of the Presidency: Áron Katona (mother's birth name: Mária Pintye, residing at 4th floor/26, Üllői street 187, 1091 Budapest)

Egede Jesper Kunuk (mother's birth name: Mikkelsen Kristen Elisabeth, residence: first floor/19, Kinizsi street 15, 1092 Budapest,)

The legal representation of the association is carried out independently by the president and by Egede Jesper Kunuk.

Scope of exercising the right to representation: general.

The way of exercising the right of representation: autonomous.

5. The Presidency shall be responsible for:

- a./ the day-to-day affairs of the association, the making of decisions in matters within its competence;
- b./ preparing the accounts and submitting them to the general assembly;
- c./ prepare the annual budget and submit it to the general assembly;
- d./ to decide on the management of the association's assets, the utilization and the investment of the assets, which are not within the scope of the general assembly;
- e./ convocation of the general assembly, notification of the members of the association and bodies of the association;
- f./ define the agenda items of the general assembly convened by the presidency;
- g./ participation in the general meeting and replies to the association issues;
- h./ registration of membership;
- i./ conducting the decisions, organizational charts and other books of the association;
- j./ preservation of documents relating to the operation of the association;
- k./ the examination of the existence of the cause of termination of the association and the taking of the measures provided for this act in the event of its occurrence; and
- l./ Decisions on the membership.
- m./decision on any issue that is referred to by law or the articles of association

6. Meetings of the presidency shall be held as necessary, but at least every six months. The presidency meeting shall be convened, primarily at the seat, in a written and verifiable manner through invitations by the president at least 15 days before the date of the meeting. It is delivered in writing in a verifiable manner; by registered letter with acknowledgment of receipt, and delivery to the electronic mail address of the member by acknowledgment of delivery (electronic receipt).

The invitation to the presidency meeting shall include the name, seat, location, time and proposed agenda items. The agenda items must be recorded in the invitation with at least enough details so that the members of the presidency can form their positions.

7. The decision of the presidency shall be made by simple majority of votes, by open vote, unless otherwise provided in the articles of association or by law. The presidency meeting has a quorum if more than half of the members of the presidency who are entitled to vote are present at the meeting. If two presidency members are present decisions can only be made with unanimity. In the case of a tie, the proposal shall be considered rejected.

Decisions are made by an open vote, by a simple majority. In the case of a tie, the proposal shall be considered as rejected. In the event of a declaration of invalidity - no later than 18 days - the meeting of the presidency shall be repeated. Repeated meetings due to ineffectiveness are only quorum if more than half of the members of the presidency are present.

When making a decision,

- a) one is exempted from the obligation of the decision or is otherwise favored over a legal person;
- b) one is required to conclude a contract because of the decision;
- c) one is to be sued because of the decision;
- d) one has a relative, who is not a member of the association, has a stake in the decision;
- e) one has a majority relationship with another party concerned with the decision; or
- f) one is personally interested in the decision.

8. Decisions of the presidency shall be announced verbally at the presidency meeting and the concerned member(s) shall be notified in writing and in a verifiable manner within 8 days of the date of the decision, at the same time with the publication of the decision on the website of the association.

9. A reminder of the meeting of the presidency should be recorded, including the location, time, the number and identity of persons present, the quorum, the agenda and a short summary of the contributions.

X.

Settlement of legal disputes in the association

1. A member, an executive official, may request the court (of arbitration) to annul the decision of the bodies of the association if the decision violates the law or violates the articles of association. An appeal may be brought against the association within thirty days from the date on which the claimant became aware of the decision or could have become aware of the decision. After the one year limitation period following the decision's date legal procedure against the decision cannot be taken. One is not entitled to initiate legal procedure against a vote of one's choice, unless one has voted for the verdict because of a mistake, deception or unlawful threat.

XI.

Termination of the association

1. The Association shall cease to operate without a legal successor if:
 - the members declare the termination; or
 - shall be terminated by an authorized body;
 - the association has achieved its purpose or the achievement of the purpose of the association has become impossible and no new purpose has been defined; or
 - the number of members of the association is less than ten for six months;provided that in each case the legal person is removed from the register by court after the appropriate procedure for closing the financial situation of the legal person is finished.

2. The association shall terminate by legal succession if it merges with another association or is divided into one or more associations

3. In the event of termination of the association, assets remaining after the satisfaction of the creditors shall be transferred to the Hungarian Red Cross organization.

XII.

Final provisions

Issues not covered by the articles of association are governed by the provisions of Act V of year 2013 on Civil Code and the Right of Association, the Public Benefit Status and Act CLXXV of year 2011 on the Operation and Funding of Non-Governmental Organizations.

Dated at Budapest, 16 October 2017

Signature

Countersigned at Budapest on October 16, 2017:

Dr. Edina Fülöp
lawyer