



THE EUROPEAN TRADITIONAL CHINESE MEDICINE ASSOCIATION

RESOLUTION TO LAY DOWN THE ARTICLES OF ASSOCIATION

- The association with limited legal authority European Traditional Chinese Medicine Association, with registered office in Amersfoort, the company having its registered office at: Van Persijnstraat 17, 3811 LS in Amersfoort, registered in the Trade Register of the Chamber of Commerce under file number 32171880, hereinafter also to be referred to as 'the Association', was established on the first of March two thousand and ten.
- The General Assembly of the Association held on February 22, 2019 decided to amend the articles of association and to have them incorporated in a notaries deed; an extract from the minutes of that meeting shall be attached to this deed.
- In the resolution to amend the articles of Association, the persons appearing were appointed to effect the amendment of the articles of Association by notaries deed.
- In order to implement this resolution, the articles of Association are hereby amended in their entirety by this deed; as of today, the articles of association will read as follows.

ARTICLES OF ASSOCIATION

Definitions of concepts

1. The concepts used in these articles of association are defined below:

- *General Assembly:*

The body of the Association that is formed by the members of the Association who are entitled to vote;

- *Executive Committee:*

The Executive Committee of the Association;

- *In Writing:*

by letter, by telecopy, by e-mail or by message which is transmitted via any other current means of communication and which can be received electronically or in the written form, provided that the identity of the sender can be sufficiently established;

- *Articles:*

The articles of the Association;

- *Association:*

The legal entity to which the Articles relate;

Name

2. The name of the Association is: **European Traditional Chinese Medicine Association.**

Official seat

3. The Association has its official seat in the municipality of Utrecht.

Objects

4.1. The objects of the Association are:

- a. to promote the integrity of all fields of Traditional Chinese Medicine (hereafter: "TCM"), by joining together all non-profit corporate bodies that support this objective through professional, educational, clinical or scientific means;
- b. to promote international academic exchanges and to strive to develop the art and science of TCM;
- c. to disseminate information on TCM and to promote the value and benefit of TCM both to the public and to regional, national and international organizations.

4.2. The Association aims to achieve its objectives by, inter alia:

- a. setting up a code of ethical behavior between members (associations, organizations and federations);
- b. gathering and lobbying for the common interests of all member associations, organizations and federations;
- c. lobbying for the establishment of TCM as a recognized therapeutic model in the European Union;
- d. working for the affirmation and development of TCM as an organic, comprehensive and distinct medical system;
- e. lobbying for the inclusion of TCM therapies by qualified TCM practitioners in the National Health Systems of European countries and for coverage of TCM therapies by social or private insurance companies;
- f. working on the establishment of defining criteria for TCM education programs and minimum criteria for the proficient practice of TCM;
- g. promoting professional exchange in all aspects of TCM training and education to deepen and advance the knowledge and practice of TCM throughout Europe;
- h. promoting the development of accreditation systems for TCM education programs within Europe;
- i. promoting appropriate scientific research into the safety, validity, usefulness and efficacy of TCM in order to gain wider recognition of TCM throughout Europe;
- j. assisting in the development of academic collaboration with European colleges and universities;
- k. promoting the understanding and cooperation among all TCM groups in Europe.

Members, associate members and friends

5.1. Members of the Association can be any association, organization or federation with members, which are formally constituted, having their headquarters in Europe and which operate in accordance with the objects of the Association.

5.2. The Executive Committee must keep a register containing the names and addresses of all the members, the associate members, the friends and the honorary members.

5.3. Associate members can be (a forum of) any association, organization or federation with members which are formally constituted and who participate in the activities of the Association but do not yet meet the requirements for full membership.

5.4. Friends are those who have declared themselves willing to support the Association financially with a minimum contribution to be determined by the Executive Committee.

5.5. Honorary members are individuals, appointed by the General Assembly as honorary members on the recommendation of the Executive Committee. Such a resolution of the General Assembly shall require at least three-quarters of the votes cast.

5.6. Associate members, friends and honorary members will not have any rights and obligations other than those granted to and imposed on them under or pursuant to the Articles.

5.7. Membership shall be exercised on behalf of the member by the natural person designated in writing by the member for that purpose. The Board shall record this in the register of members.

Admission

6.1. The Executive Committee decides about the admission of members, associate members, friends and honorary members. If a new member does not meet the membership requirements, it may still be admitted if the General Assembly so decides.

6.2. If a person is not admitted as a member, the General Assembly may as yet resolve to admit this person.

Termination of membership and cancellation of the rights and obligations of associate members and friends

7.1. Membership of the Association ends:

- a. by dissolution of the member or if the member ceases to exist;
- b. on termination by the member;
- c. on termination by the Association.

This may occur if a member ceases to meet the requirements of membership as laid down in the Articles, if he fails to fulfill his obligations towards the Association and also if it cannot in all reasonableness be required of the Association that it continues the membership;

- d. on disqualification.

Disqualification from membership may only be pronounced if a member acts contrary to the Articles, standing orders or resolutions, or treats the Association unreasonably.

7.2. Termination by the Association is effected by the Executive Committee.

7.3. The membership may only be terminated by the member or the Association taking effect from the end of a financial year and subject to four weeks' notice.

The membership may, however, be terminated in all cases taking effect from the end of the financial year following the financial year in which the termination took place.

Furthermore the membership may be terminated with immediate effect if the Association or the member cannot be required in reason to allow the membership to continue.

7.4. Termination contrary to the provisions of the preceding paragraph will end the membership on the earliest permitted date following the date with effect from which the membership was terminated.

7.5. A member may terminate his membership with immediate effect within one month of having been informed of a resolution to convert the Association into another legal form or to merge or divide the Association within the meaning of Title 7 of Book 2 of the Dutch Civil Code (Burgerlijk Wetboek).

7.6. A member may also terminate his membership with immediate effect within one month of having become aware or having been informed of a resolution limiting his rights or increasing his obligations towards the Association.

In that case the resolution will not apply to him.

A member is not entitled to exclude a resolution applicable to him, which entails a change to his financial rights and obligations, by terminating his membership.

7.7. Disqualification from membership is effected by the Executive Committee.

7.8. In the event of a resolution that the membership be terminated by the Association on the grounds that a member has failed to fulfill his obligations towards the Association and also that it cannot in all reasonableness be required of the Association that it continues the membership and in the event of a resolution to disqualify the member, the person involved will be entitled to appeal to the General Assembly within one month of having been informed of the resolution.

To that end he must be informed of the resolution as soon as possible In Writing, stating reasons. During the appeal period and pending the appeal, the member will be suspended, with the proviso, however, that the suspended member will have the right to account for his actions at the General Assembly at which the appeal referred to in this paragraph is heard.

7.9. If the membership ends in the course of a financial year, the annual contribution will nevertheless still be payable in full.

7.10. The rights and obligations of associate members and friends may be cancelled at any time by termination, with the proviso that the annual contribution for the current financial year will still be payable in full.

7.11. Termination as referred to in the previous paragraph by the Association is effected by the Executive Committee.

Annual contributions and obligations

8.1. The members, associate members and friends will be obliged to pay an annual contribution, to be determined by the General Assembly.

They may be placed in categories for this purpose, with each category paying a different contribution. Honorary members are not obliged to pay an annual contribution.

8.2. In special cases, the Executive Committee will be authorized to grant full or partial discharge from the obligation to pay a contribution.

8.3. Subject to the General Assembly's permission, the Executive Committee will be authorized to attach obligations to the membership.

Executive Committee

9.1. The Executive Committee consists of a number to be determined by the General Assembly of at least five and at most nine persons who must be appointed by the General Assembly, with the proviso that the members of the first Executive Committee are appointed by this deed.

9.2. Members of the Executive Committee shall be appointed from the ranks of the members of the Association, unless the General Assembly decides otherwise.

9.3. Members of the Executive Committee are appointed from a binding list of one or more candidates, subject to the provisions of paragraph 4 of this article.

Candidates may be nominated by the Executive Committee as well as by every member. The Executive Committee's list of candidates must be made known in the notice convening the meeting.

A nomination by a member must be submitted to the Executive Committee In Writing prior to commencement of the meeting.

9.4. The binding nature of any nomination may be removed pursuant to a resolution of the General Assembly passed by at least two-thirds of the votes cast at a meeting at which at least two-thirds of the members are represented.

9.5. If no nominations are presented or if the General Assembly resolves, in accordance with the preceding paragraph, to remove the binding nature of the prepared list of candidates, the General Assembly will be free to choose the members of the Executive Committee.

9.6. If there is more than one binding nomination, one of these candidates must be appointed.

Termination of membership of the Executive Committee, retirement by rotation and suspension

10.1. Any member of the Executive Committee, also if he has been appointed for a definite period of time, may be dismissed or suspended by the General Assembly at any time.

A suspension that is not followed by a resolution to dismissal within three months will end by the expiry of this period.

10.2. Every member of the Executive Committee must retire, no later than three years after his appointment, by rotation in accordance with a schedule to be prepared by the Executive Committee. A retiring member of the Executive Committee is eligible for reappointment for two more terms, unless proposed otherwise and approved by the General Assembly. A person appointed to fill an interim vacancy fundamentally will take his predecessor's place in the schedule.

10.3. Membership of the Executive Committee will also end:

- a. by no longer belonging to the ranks of the member in question with regard to a member of the Executive Committee who has been appointed from among the ranks of the member in question;
- b. with regard to a member of the Executive Committee who has been appointed from among the ranks of the member in question, because the member in question is no longer a member of the Association;
- c. on retirement from the Executive Committee;
- d. in the event of death, if the member of the Executive Committee is a natural person.

Positions on the Executive Committee and resolutions by the Executive Committee

11.1. The Executive Committee will appoint from their number a president and can appoint a secretary and a treasurer from their number.

The Executive Committee may appoint a replacement for each of them from their number. A member of the Executive Committee may hold more than one position.

11.2. Minutes must be taken of the proceedings at each meeting of the Executive Committee by the secretary and adopted and signed by the chairman and the secretary.

11.3. Instead of at a meeting, resolutions of the Executive Committee may also be passed In Writing, provided they are passed unanimously by all the members of the Executive Committee.

11.4. Further rules concerning the meetings of and passing of resolutions by the Executive Committee may be laid down in standing orders.

Duties of the Executive Committee, representation and remuneration

12.1. Subject to the restrictions of the Articles, the Executive Committee will be responsible for the management of the Association.

12.2. If the number of members of the Executive Committee falls below five, the Executive Committee will still be competent.

The Executive Committee will, however, be obliged to convene a General Assembly as soon as possible at which the filling of the vacancy or vacancies must be discussed.

12.3. The Executive Committee will be authorized to have certain parts of its duties performed under its responsibility by committees appointed by the Executive Committee.

12.4. The Executive Committee is not authorized to decide to conclude agreements to acquire, dispose of and encumber property subject to registration and to conclude agreements in which the Association binds itself as surety or joint and several debtor, warrants performance by a third party or provides security for a debt of a third party and it will be authorized to represent the Association in these acts.

12.5. The General Assembly will be authorized to subject resolutions of the Executive Committee to its approval.

The Executive Committee must be informed of these resolutions In Writing, with a clear description.

12.6. Without prejudice to the provisions of paragraph 4 of this article, the Association is represented by the Executive Committee.

Two members of the Executive Committee, acting together, are also authorized to represent the Association.

12.7. A remuneration can be granted to the Executive Committee members.

Expenses will be reimbursed to the Executive Committee members on production of the necessary proof.

Report of the Executive Committee and accountability

13.1. The Association's financial year coincides with the calendar year.

13.2. The Executive Committee will be obliged to keep records of the financial position of the Association and of everything concerning the activities of the Association, in accordance with the requirements arising from these activities, and to keep the books, documents and other data carriers in such a way that the rights and obligations of the Association can be known from them at any time.

13.3. Within six months of the end of the financial year, except where this period has been extended to a maximum of four months by the General Assembly, the Executive Committee must present a report of the Executive Committee at a General Assembly on the course of events within the Association and the policy pursued.

The Executive Committee must submit a hard copy of the balance sheet and the statement of income and expenditure, with explanatory notes, to the General Assembly for approval. These documents must be signed by all the members of the Executive Committee; if any of their signatures is lacking, the reasons for this omission must be stated.

After expiry of the period, any of the members may claim fulfillment of these obligations by the Executive Committee at law.

13.4. Each year the General Assembly can appoint a financial committee from among the members, consisting of at least two persons who may not be on the Executive Committee. The financial committee must audit the documents referred to in the second sentence of paragraph 3 of this article and must report its findings to the General Assembly.

The Executive Committee will be obliged to provide the financial committee, for the purposes of its audit, with all the information it requests, to show it the Association's cash funds and assets if required, and to make the Association's books, documents and other data carriers available to it for reference.

13.5. If the audit of the report requires specific accounting knowledge, the financial committee may be assisted by an expert.

13.6. The financial committee's mandate may be withdrawn at any time by the General Assembly, but only by appointing another financial committee.

13.7. The Executive Committee will be obliged to keep the books, documents and other data carriers referred to in paragraphs 2 and 3 of this article for a period of seven years, without prejudice to the provisions of paragraph 8 of this article.

13.8. The data placed on a data carrier, with the exception of the balance sheet and statement of income and expenditure recorded on paper, may be transferred to and stored on another data carrier, provided that this transfer involves a correct and full recording of the data and these data are available during the entire time they are stored and can be made legible within a reasonable period of time.

Meetings of General Assembly

14.1. In the Association, all powers which are not vested in the Executive Committee pursuant to the law or the Articles are vested in the General Assembly.

14.2. A General Assembly – the annual meeting – must be held annually within no more than six months of the end of the financial year.

The following matters must be included on the agenda of the annual meeting:

- a. the report of the Executive Committee and the report referred to in Article 13, with the findings of the committee referred to in that article;

- b. the eventual appointment of the committee referred to in Article 13 for the following financial year;
- c. the filling of any vacancies;
- d. any motions of the Executive Committee or the members, made known in the notice convening the meeting.

14.3. Other General Assemblies are convened as often as considered desirable by the Executive Committee or when it is obliged to do so pursuant to the law or the Articles.

14.4. The Executive Committee will also be obliged to convene a General Assembly within no more than four weeks of a request having been made to this effect In Writing by at least such a number of members as is authorized to cast at least one tenth of the votes.

If the request is not acceded to within fourteen days, those requesting the meeting may convene it themselves by means of a notice in accordance with Article 18 or by placing an advertisement in at least one well-read newspaper in the location where the Association has its business address, with due observance of the period for convening the meeting referred to in Article 18.

Those requesting the meeting may then place persons other than members of the Executive Committee in charge of the meeting and charge them with taking the minutes

Access and right to vote

15.1. All the members of the Association, any member of the Executive Committee who is not a member of the Association, all associate members, all patrons and all honorary members have access to the General Assembly.

Suspended members will not have access, subject to the provisions of paragraph 8 of Article 7, nor will suspended members of the Executive Committee.

15.2. The General Assembly decides on the admission of persons other than those referred to in paragraph 1 of this article.

15.3. Every member of the Association who has not been suspended will have the right to cast one vote, considering the following stipulations.

Associate members, patrons and honorary members do not have the right to vote

The voting right shall be exercised by the representative referred to in Article 5.7.

The number of votes to be cast per member is related to the number of members that each member has individually, to be calculated as follows:

- a member with a membership of more than 251 members (two hundred and fifty-one) members but not more than 500 (five hundred) members in the preceding calendar year shall have two votes in the following year;
- a member with a membership of more than 501 members (five hundred and one) members but not more than 750 (seven hundred fifty) members in the preceding calendar year shall have three votes in the following year;
- a member with a membership of more than 751 (seven hundred and fifty-one) members but not more than 1,000 (one thousand) members in the preceding calendar year shall have four votes in the following year;
- a member with a membership of more than 1,001 (one thousand one) members but not more than 1,250 (one thousand two hundred and fifty) members shall have five votes in the following year;
- a member with a membership of more than 1,251 (one thousand two hundred and fifty-one) members but not more than 1,500 (one thousand five hundred) members in the preceding calendar year shall have six votes in the following year; and
- a member with a membership of more than 1,501 members (one thousand five hundred and one) members or more in the preceding calendar year shall have seven votes in the following year.

A member who has multiple voting rights shall cast the votes to be cast by him/her in the same manner.

15.4. In accordance with the provisions of Article 5.7 a member may vote by proxy, given to another member In Writing.

15.5. If the Executive Committee has opened the option in the notice to a General Assembly, the members will be authorized to exercise their voting rights by means of an electronic means of communication, provided (i) the conditions for the use of that means of communication like the connection, the security and the like have been made public in the notice to the meeting, (ii) the member is able to be identified, (iii) the member is able to acquaint himself of the discussions at the meeting and (iv) if this option has been opened, the member is able to participate in the discussions.

15.6. If the Executive Committee has opened the option In Writing, votes can be cast electronically in a period not earlier than thirty days prior to the General Assembly, at an e- mail address designated for that purpose.

These votes shall have equal effect as votes cast in a General Assembly.

Chairmanship and minutes

16.1. General Assemblies are chaired by the chairman of the Association or his deputy.

If the chairman and his deputy are absent, one of the other members of the Executive Committee, to be appointed by the Executive Committee, will act as chairman.

If it is also not possible to appoint a chairman in this manner, the meeting will appoint its own chairman.

Until that time the temporary chairman will be the oldest person present at the meeting.

16.2. Minutes must be taken of the proceedings at each meeting by the secretary or another person to be appointed for this purpose by the chairman and the minutes must be adopted and signed by the chairman and the secretary.

Those convening the meeting may have a record drawn up of the proceedings.

The contents of the minutes or of the record must be made known to the members.

Passing resolutions at the General Assembly

17.1. The decision pronounced by the chairman at the General Assembly on the outcome of a vote will be decisive.

The same applies to the contents of a resolution which has been passed, in so far as voting was on a motion which had not been set out In Writing.

17.2. If, however, the correctness of the chairman's opinion is challenged immediately after it has been pronounced, a new vote must be taken if the majority of the meeting or, if the original vote was not taken by roll-call or ballot, a person present and entitled to vote so desires. This new vote will nullify the original vote.

17.3. In so far as not provided otherwise in the Articles or by law, all resolutions of the General Assembly must be passed by an absolute majority of the votes cast.

17.4. Blank votes and invalid votes are considered as not having been cast.

17.5. If an absolute majority is not obtained in a vote on persons, a second vote will be taken or, in the event of a binding nomination, a second vote between the nominated candidates.

If an absolute majority is again not obtained, repeated votes will be taken until either one person has obtained an absolute majority or a vote is taken between two persons and there is a tie.

With regard to the aforementioned repeated voting (which does not include the second vote), the vote will be between all the persons voted for in the preceding vote, except for the person obtaining the fewest votes.

If in the preceding vote the fewest votes were obtained by more than one person, lots must be drawn to decide which of them can no longer be voted for.

In the event that a vote between two persons is tied, lots will be drawn to decide which of them has been elected.

17.6. In the event of a tie, the motion will have been rejected, subject to the provisions of paragraph 5 of this article.

17.7. All voting must be by voice.

However, the chairman may determine that the votes must be cast by ballot.

With regard to a vote on persons, a person who is present and entitled to vote may also require that the votes be cast by ballot.

In the case of votes cast by ballot, the ballots must be sealed and unsigned. Resolutions may be passed by acclamation, unless a person entitled to vote requires a vote by roll call.

17.8. A unanimous resolution of all the members, even if not together at a meeting, will have the same force as a resolution of the General Assembly, provided that it is passed with the prior knowledge of the Executive Committee.

This applies also for resolutions to amend the Articles or to dissolve the Association.

17.9. As long as all the members are present or represented at a General Assembly, resolutions may be passed on all matters coming up for discussion – therefore also a motion to amend the Articles or to dissolve the Association – provided they are passed unanimously, even if the meeting has not been convened in the prescribed manner or any other provisions for convening and holding meetings or related formalities have not been observed.

Convening General Assemblies

18.1. General Assemblies are convened by the Executive Committee, without prejudice to the provisions of Article 14 paragraph 4.

Meetings are convened by notice sent In Writing to the addresses (including email addresses) of the members, the associate members and the honorary members as listed in the register referred to in Article 5.

The period for convening the meeting must be at least four weeks.

If a member, an associate member or a honorary member consents thereto In Writing, a notice to a meeting may be sent electronically by means of a readable and reproducible message at the address which has been made known by him In Writing for that purpose to the Association.

18.2. The notice convening the meeting must state the subjects to be discussed, without prejudice to the provisions of Articles 19 and 20.

Amendment to the articles

19.1. Without prejudice to the provisions of paragraphs 8 and 9 of article 17 no amendments may be made to the Articles other than pursuant to a resolution of a General Assembly, which must be convened by means of a notice specifying that amendments to the Articles will be proposed at that meeting.

19.2. Those persons who have convened a General Assembly for the discussion of a motion to amend the Articles must make a copy of this motion, in which the proposed amendment is set out verbatim, available for inspection by the members in an appropriate place from at least four weeks before the meeting until the end of the day on which the meeting is held.

19.3. A resolution to amend the Articles requires at least two-thirds of the votes cast at a meeting at which at least two-thirds of the members are present or represented.

If less than two-thirds of the members are present or represented, a second meeting must be convened and held within four weeks of the first meeting, at which a resolution may be passed on the motion which was put forward at the first meeting irrespective of the number of members present or represented, provided the resolution is passed by a majority of at least two-thirds of the votes cast.

19.4. An amendment to the Articles will not come into force until a notary deed of it has been drawn up.

Any member of the Executive Committee is authorized to have such a deed executed.

Dissolution

20.1. The Association may be dissolved pursuant to a resolution by the General Assembly. The provisions of paragraphs 1 and 3 of Article 19 apply mutatis mutandis.

20.2. Following dissolution of the Association, its assets will be liquidated by the Executive Committee.

The Executive Committee may resolve to appoint other persons as liquidators.

20.3. A positive liquidation balance will be transferred to the persons who were members when the resolution to dissolve was passed.

Each of them will receive an equal share.

In the resolution to dissolve, however, the positive liquidation balance may be applied for a different designation.

20.4. Following the liquidation, the books, documents and other data carriers of the dissolved Association will remain in the custody of the person designated for this purpose by the liquidators for the period prescribed by law.

20.5. In all other respects, the provisions of Title 1 of Book 2 of the Dutch Civil Code will apply to the liquidation.

Standing orders

21.1. The General Assembly may draw up standing orders.

21.2. The standing orders may not be in conflict with the law, which also applies if there are no mandatory rules of law, or with the Articles.

Board of Advice

22.1. The Association has a Board of Advice, which will in any case have the task of advising the Board and the Association both when they have been asked and at their own request.

22.2. Further duties and powers shall be determined by standing orders.

Disputes Committee

23.1. The Association has a Disputes Committee; the purpose of that Committee is to make a binding decision in disputes between the Board and the members, associate members and honorary members.

23.2. A dispute is present as soon as one party wants it.

23.3. Further duties and powers shall be determined by Rules and Regulations.

The conclusion of this act

I have established the identity of the people appearing on the basis of their identity documents, so that they are known to me.

I have explained the contents of this document to the people who have appeared, explained it and pointed out the consequences of its content. They have declared that they have read a draft of this Act, are familiar with its content and agree to it.

After I partially read the deed, the people who appeared and I signed it. The original of this deed will remain in my office. The deed has been executed in Utrecht on the date I mentioned at the beginning of this deed.