

The Articles of Association

The Articles of Association of the Hungarian Europe Society

The Articles of Association in a uniform structure with the modifications decided on in 2003 on the 12th of April and the 7th of July.

General rules

1. § (1) The name of the association: Hungarian Europe Society. (hereafter: the Association)
- (2) Address: 1052 Budapest, Gerlóczy Street 11.
- (3) The Association is a registered civil association in Hungary.
- (4) The Association is a legal person.
- (5) The Association is both a civil association recognized by Act II. of 1989 concerning the Right of Association (hereafter: "Etv"), and a non-profit organization as defined by Act CLVI. of 1997 (hereafter: "Ksztv") on non-profit organizations.
- (6) The Association provides the following welfare activities, in accordance with Ksztv 26. § point c): scientific activities, research (Ksztv 26. § c) 3. point), teaching, education, and personal ability development, dissemination of knowledge (Ksztv 26. § c) 4. point), enhancement of Hungary's Euro-Atlantic integration (Ksztv 26. § c) 19. point).

The goals of the Association and the means to reach them

2. § (1) Examine the relationship between Hungary and the European Union, and in general focus upon the political, economic and cultural status of Hungary within the Euro-Atlantic region.
 - (2) Mindfully observe issues in the development of international political life, as well as international relations which are related to Europe and specifically to the European Union.
 - (3) Represent the ideas of the "Europe in unification", the European values and the European way of thinking both in Hungary and abroad.
 - (4) Contribution - with the means of the Association - to the Hungarian accession to the EU and the integration within that organization, as a new member state.
 - (5) Establish connections and cooperate with other domestic and foreign civil associations, foundations and scientific research centers sharing similar goals and ideology.
3. § (1) The society acts independently of any political parties in reaching its goals.
 - (2) In order to achieve the Association's goals, its members:
 - i. organize or participate in lectures, conferences and forums dealing with:
 - the structure of the different institutions of the European Union,
 - the decision making mechanisms,
 - the European Community law,
 - the possible ways of conflict resolution between the Member States,

- the common European political culture and the importance of the enlargement process;
- ii. evaluate the model of the European Union from the perspective of the Hungarian accession, and disseminate their opinion throughout the media and professional journals
- iii. take part - if possible - in domestic and foreign events examining the questions of international political life, especially the development of the European Union and its dilemmas of the future, on a theoretical and practical (policy) level;
- iv. through arranging a research team build up an international network with other Hungarian and foreign scientific research centers;
- v. develop a website, publishing their opinions and ideas;
- vi. through cooperating with other civil organizations, attempt to increase the level of awareness concerning the European Union within the broad Hungarian public opinion;
- vii. join different European initiatives and networks;
- viii. in cooperation with business circles, try to harmonize the Hungarian and European interests, lobby and mediate in the field of economy;
- ix. by participating in the higher-education, teach students to become acquainted with issues regarding the European Union;
- x. give presentations and trainings for different target groups, as well as offer professional advice and services;
- xi. take part in the development and execution of the communications strategy supporting the membership in the European Union;
- xii. publish - as one of their tasks - pieces of the international literature pertaining to the European Union which have yet to be printed in Hungarian;
- xiii. meticulously follow other important questions of public life - human and minority rights, sustainable economic growth, environment protection, regional development, freedom of media and speech, cultural identity and globalization, the anatomy of arts, ethical and legal problems connected to societal changes and development of natural arts - and organize conferences related to these issues.

The non-profit status of the Association

3/A. § (1) Apart from the members of the association, others can also benefit from the Association's non-profit services.

(2) The society organizes profit-oriented activities, only if those economic activities support the Association's non profit aims, and do not pose threats to their achievement.

(3) The Association does not distribute profits to its members, but uses it to attain the goals as laid down in the Articles of Association.

(4) The society does not pursue any direct political activities; it remains independent from parties and does not provide financial support aiding their intentions.

The members of the society

4. § (1) The membership of the Association consists of ordinary, supporter and honorary

members.

(2) Ordinary members of the Association can be any natural persons, who are granted membership by the board of the Association, provided that:

- a) they fill the membership application form (Insert No.1.),
- b) attach to their application supporting signatures of two members of the Association,
- c) and declare that they accept the Articles of Association.

(3) The ordinary member of the society

- a) can take part in the activities and events of the society,
- b) can vote in the elections of office-holders and can be elected as a member of the board according to the regulation of the Articles of Association,
- c) must fulfill the obligations laid down in the Articles of Association.

(4) A Supporter member can be any person who is accepted as such by the board and supports the activity of the society financially or by other means.

(5) An Honorary member can be anyone who is asked to become such a member by the board if the general assembly votes in favor of his/her admission. An Honorary member can be any person, who accepts the goals of the society, and who is a publicly recognized person and has significantly contributed to the idea of a Unified Europe.

(6) Membership status ceases with:

- a) the announcement of withdrawal from membership in a written form
- b) in the case of ordinary members, if he/she fails to pay the membership fee for two consecutive years, after 30 days of the second unsuccessful call for payment, his/her membership can be cancelled through the board's discretion
- c) the death of the member
- d) the exclusion by the general assembly in case of the member's serious breach of the Articles of Association (except the case mentioned in 4 § (6) b)).

(7) The following activities are considered as serious transgressions of the Articles of Association: any repeated behavior, activity or manifestation, which is in contradiction with the goals of the Association written down in the Articles of Association; especially a coarse and public attack against the European ideas of the society; emphasizing an opinion which is contradictory to the ideas of the respect for human rights and public tolerance; or any criminal activities for which the member is condemned by the court in a legally binding award.

(8) If certain circumstances appear, which possibly give consideration for the exclusion of a member, then the board formally informs the member through a registered letter, and calls upon the member to cease the activities which might give reason to his/her exclusion from the Association. Before the general assembly deliberates and decides on the potential exclusion of a current member, the party must be provided with the opportunity to defend his/her case. The member must be informed about this opportunity in the aforementioned letter. If the member does not wish to defend him/herself, or does not react to the letter within 30 days, or the letter returns with the sign "did not seek for the letter," "moved to unknown place," or "cannot be found in that place of residence," then the general assembly may decide on the exclusion without the member's

defense. In case the general meeting or the board decides the exclusion of the member, the written affirmation of the general assembly must be sent to the member, along with the reasons of the exclusion and the opportunity of legal remedy mentioned in 5. § (10). This procedure must be adopted in the cases mentioned in 4. § (6) b), as well, with the exception that the board shall decide on his/her exclusion on a board meeting.

The structure and functioning of the society

5. § (1) The decision-making bodies of the Association are: the general assembly and the board. The supreme organ of the society is the general assembly.

(2) The general assembly must be held if necessary, but at least once a year. The general assembly is open to the public. Only the ordinary members have voting rights.

(3) A general assembly with the election of new office-holders must be held every two years.

(4) The exclusive rights of the general assembly are the following:

- adoption and amendment of the Articles of Association,
- decision on the yearly budget of the Association,
- decision on the fusion with another non-profit association and the dissolution of the Association
- decision on the exclusion of a member (except the cases mentioned in 4. § (6) b)),
- election of the office-holders of the Association and revocation of the office-holders (board members, chairman, members of the supervisory committee) from their position.
- approval of the annual report of the board and the report on public welfare activities. The report on the public welfare activities contains the following:
 - i. the accounting report,
 - ii. the use of budgetary subsidies,
 - iii. statement on the utilization of property assets,
 - iv. statement on designated provisions,
 - v. the amounts of subsidies received from the state budget, the local government, minority local governments or association of community local governments, or from the agencies affiliated with these bodies,
 - vi. the value or amount of any remuneration extended to the senior office-holders of the Association,
 - vii. brief description of the public welfare activities.

The report on public welfare activities of the Association is considered public information, as any individual is allowed to copy the report at his/her own expense. The annual report is produced by the board and audited by the supervisory committee. The annual report must be delivered to the members attached with the invitation to the general assembly. The general assembly decides on the approval of the annual report, only after being informed of the statement of the supervisory committee.

(5) The chairman invites the members of the Association to the general assembly in written or

electronic form.

The general assembly can be summoned if the chairman or the board so wishes or minimum 10 members of the Association request convocation in written form.

The invitation must contain the proposed agenda of the meeting and the legal consequences of absence.

(6) The general assembly has a quorum if over 50% of the ordinary members are present. If the general assembly is cancelled because of the lack of a required quorum, a substituted general assembly can be held half an hour thereafter with the same agenda, regardless of the number of members being present, if the members were explicated the consequences of absence in the invitation.

A member cannot participate in the decision making process of the general assembly on a certain issue, if he/she, his/her relative (defined in the Hungarian Civil Code Act IV. of 1959 685. § point b.) or his/her partner in life as a consequence of the decision:

a) is exempted from any obligation or legal responsibility

b) receives any benefit, or is interested in a particular result of an issue's decision.

A non-pecuniary service provided by a public welfare organization as a designated grant, which is open to everyone, or a designated grant provided, by virtue of membership, by a non-governmental organization to its member in accordance with its Articles of Association shall not be construed as a benefit under this article.

(7) The general meeting renders decisions by a simple majority vote, except in cases falling under the exclusive competence of the general assembly according to the articles of Association, Act CLVI of 1997 on Non-profit Organizations and Act II of 1989 on the Right of Association. In the case of these questions, each amendment proposal is voted separately by a simple majority vote of the members present, which is followed by a final voting on all the questions together for which a 2/3 majority vote shall be required.

(8) The general meeting votes are done openly, except in those cases where the Articles of Association prescribe voting by ballots as necessary. In the case of a voting by ballots, a designated vote collector is chosen by the general assembly.

(9) Minutes are chronicled throughout the meeting, which are written by the recorder chosen by the general assembly. The minutes are signed by the chairman and the recorder. The board records the decisions of the general assembly, their content, date, date of entry in force, and the votes of members. The board distributes the resolutions of the meeting to the members in a written form (in letter or e-mail), and posts them on the Association's website.

(9) The unlawful resolution of the board, general meeting or supervisory committee can be contested in court by any member within 30 days after he/she was informed of such a decision.

6. § (1) The administrative body of the Association is the board that consists of three members.

(2) The members of the board are elected by the general assembly through a secret vote consisting of the members of the Association. The elected officials serve for two years or until the next general assembly whose agenda contains the election of new office-holders as an item of the agenda.

The chairman or a member of the board cannot serve as the chairman, a member, on the supervisory committee, or as the auditor of the Association simultaneously.

An individual who served as an office-holder for at least one year in another non-profit organization, which was dissolved and failed to comply to the law on taxation's regulations, in the two years preceding its dissolution, cannot be a member of the board of this Association.

The chairman or the member of the board has the duty to inform in advance every affected non profit organization if he or she is in a similar position in any other non profit organization.

(3) The general assembly selects the chairman (Chairman) through a secret voting by its members. The society is represented by the chairman. The name and address of the Chairman: Hegedűs, István, 1052 Budapest, Gerlóczy u. 11. The other members of the board are the vice-chairpersons.

(4) The board has a quorum if all of its members are present. In every issue belonging to its competence, the board renders decisions through open voting on a simple majority basis.

(5) The Chairman convokes the board meeting if necessary, at least twice a year, or if any members of the leadership requests. The Chairman summons the meeting in an electronic form at least three days in advance. The Chairman also simultaneously informs the members of the Association of the meeting's date and agenda. The board meetings are public. The Chairman outlines the agenda during the meeting. A question which is not on the agenda can only be deliberated after every board member agrees.

A member cannot participate in the decision making process of the board meeting on a certain issue, if s/he or his/her relative (defined in the Hungarian Civil Code Act IV. of 1959 685. § point b.) or his/her partner in life as a consequence of a decision on that issue :

a) is exempted from any obligation or legal responsibility or

b) receives any benefit, or is interested in the result of the not yet executed legal relation anyway.

A non-pecuniary service provided by a public welfare organization as a designated grant, which is open to everyone, or a designated grant provided, by virtue of membership, by a non-governmental organization to its member in accordance with its Articles of Association shall not be construed as a benefit under this article

(6) Minutes, which are written in a concise form by a recorder elected by the members of the Association, are chronicled throughout the board meeting. The minutes are signed by the chairman and the recorder. The board records the decisions of the meeting, their content, date, date of enactment, and the members' (if possible, personally) pro and con votes. The board distributes the resolutions of the meeting to the members in a written form (via letter or e-mail), and posts them on the Association's website. The minutes and every other documentation related to the activities of the Association (e.g. report on its public welfare activities, minutes of the general assembly, and meetings of the board) are kept at the seat of the society, where any individual is permitted to view them after setting an appointment with the Chairman. The public may learn about the documentation, services and functioning of the Association through the website of the Association: <http://europa.kontextus.hu>.

(7) The board has the task, among others, to inform the members of the Association about events affecting the society, the decisions of the board, the joining of new members, and to inquire the members' opinions of potential new members.

7. § (1) The leadership may call upon an advisory committee to help the society's work.

7/A § (1) The functioning and financing of the society is controlled by a three-member supervisory committee.

(2) The supervisory committee is elected by general meeting through a secret vote from the

members of the society. The supervisory committee members serve for two years or until the general assembly motions to elect new officials.

- (3) One cannot be the chairman or the member of the monitoring committee, if he/she
- a) is the chairman or the member of the board,
 - b) shares any legal relation with the Association, except on the condition that a legal act permits to hold office in the supervisory committee, or have such a legal relation with the Association at the same time,
 - c) receives goal-oriented assistance from the Association, except for non-financial service that is offered for all members,
 - d) is the relative of any individual that falls in points a)-c),
 - e) served as an office-holder for at least one year in another non-profit organization, which was dissolved and failed to comply to the law on taxation's regulations.

(4) The present chairman or member of the monitoring committee, as well as any candidates to such positions, must inform all affected non profit organizations in advance the possession of a similar position in a separate non profit organization.

(5) The supervisory committee solely decides its agenda.

(6) The functioning and financing of the society is controlled by the supervisory committee. Through this process, the committee can inquire a report from the chairman and the members of the board, information from other members of the Association, and analyze the Association's books and documents.

(7) Members of the supervisory committee may participate in the meeting of the board with the right of consultation. The member must participate in the meeting if any law prescribes the obligation to do so, or if the member of the supervisory committee initiated the board meeting.

(8) The supervisory committee must inform the board and request the convocation of a board meeting, if informed that,

- a) an illegal act or otherwise an event (failure) has occurred, which seriously interferes with the interests of the society and needs action of the board in order to be stopped or mitigated;
- b) a fact has surfaced which may call upon the responsibility and action of the Chairman or the members of the board.

The legally competent leading organization must gather within 30 days of the supervisory committee's request. After the deadline has passed, the supervisory committee itself can convene the meeting.

If the board does not take the necessary actions to restore the normal, legal functioning of the Association, than the supervisory committee must immediately contact the organization responsible for legal control.

(9) The supervisory committee holds a meeting when necessary, although obligatorily at least once a year, when they decide to approve the board's annual report. The board sends the supervisory committee the draft of the annual report, as well as the documents necessary to monitor the 30 days before the general meeting's decision regarding the annual report. The supervisory committee examines the draft of the annual report, and consults with the board and the book keeper of the Association, if necessary. The supervisory committee has a quorum if at

least two of its members are present. All votes are open and based on a simple majority. The members have the right to have a dissenting opinion attached to the resolution. The supervisory committee records the decisions of the meeting, their content, date, date of the resolutions, the resolutions' inductions, and the members' decisions, (if possible, personally) both pro and con. The committee sends its resolutions to the board.

The management of the society

8. § (1) The Association is financed from the membership fees paid by the members, from the contributions given by the supporter members and from other funds.

(2) The annual membership fee is settled one year in advance at the annual general assembly.

(3) The Association may pursue economic activities as secondary activities to provide the economic means that enable the society to reach its goals.

(4) In accordance with the 29. § (3) of the Hungarian Civil Code, the signature of the Chairman and another member is necessary to dispose of the society's bank account.

Closing dispositions

9. § In any questions not addressed by the Articles of Associations, the dispositions of Act IV. of 1959 on the Hungarian Civil Code, Act II. of 1989 about the Right of Association., Act CLVI. of 1997 on Non-Profit Organizations and the legal acts pertaining to the management of non-profit organizations are authoritative.

10. § This Articles of Association was approved by the first general assembly of the Association held on the 24th of May, 2000, and it was modified by the general assemblies held on the 26th of January, 2001, the 12th of April, 2003 and the 7th of July, 2003.

Budapest, July the 7th, 2003