

BYLAWS

Art.1 Name, registered office, nature and duration of the Foundation

A Foundation is formed under article 80 et seq. of the Swiss Civil Code with registered office in the municipality of Collina d’Oro, Switzerland. The name of the Foundation shall be **FONDAZIONE IBSA PER LA RICERCA SCIENTIFICA** (IBSA FOUNDATION FOR SCIENTIFIC RESEARCH).

Subject to authorisation from the Supervisory Authority, at any time the Board may move the registered office of the foundation to another place in Switzerland.

The duration of the foundation is unlimited.

Art.2 Purpose

The purpose of the Foundation is promoting scientific research and protecting health. The Foundation fosters science progress and education as well as advancement and dissemination of science applications.

The Foundation pursues its purpose through meetings, lectures, workshops, conferences, and publications as well as awards, recognitions, contributions, sponsorships, fellowships, and similar initiatives, and in particular by bringing together national and international scientists and promoting exchanges between them.

The Foundation’s scientific activities are conducted under the guidance of the Foundation’s Board of Governors and of the Scientific Board appointed by the Foundation’s Board of Governors. The Foundation carries out its activities in areas of medicine which include but are not limited to:

- Endocrinology
- Dermatology
- Rheumatology/Orthopaedics
- Urology
- Pain Management
- Pulmonology / ENT
- Women’s Health & Fertility
- Science education, communication and dissemination.
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The Foundation can work together with other organisations having purposes that are like those of the Foundation, in Switzerland and abroad.

Upon request of the Foundation, or by its will in case of its cessation, the relevant Swiss federal or canton authority can change the purpose of the Foundation under article 86a of the Swiss Civil Code.

The Foundation is a non-profit organisation.

Art.3 Endowment

The Foundation’s initial endowment amounts to CHF 100,000.–.

The Foundation’s endowment can be increased by donations, bequests and contributions given by anyone who is willing to promote the purpose pursued by the Foundation and by any other means that the Foundation’s Board of Governors deems expedient to pursue the Foundation’s purpose.

Art.4 Use of the Foundation's funds

Within the Foundation's purpose, the Board of Governors of the Foundation is free to choose the means whereby the Foundation's purpose is fulfilled. The Board of Governors decides how to employ the Foundation's endowment based on its own free judgement.

The Foundation's endowment funds are to be invested fruitfully exclusively for the pursuit of the Foundation's purpose.

For the fulfilment of its purpose, the Foundation can enter into any deeds or agreements, including for the purpose of funding transactions resolved by the Foundation, which may comprise but are not be limited to loan and mortgage loan contracts, agreements for the purchase of property, as well as agreements of any kind and nature that are deemed to be expedient for the attainment of the Foundation's purpose.

The Foundation can make donations using either its endowment funds or income generated by its assets.

The Foundation's Board of Governors can adopt, amend, or cancel any order, rule or provision relating to the Foundation's services.

Art.5 Foundation's Bodies

The Foundation's Bodies are: the Board of Governors, the Scientific Board, the Advisory Board and the Auditors.

Art.6 Board of Governors

The Foundation's Board of Governors is composed of three or more members that are to include the Chairman of the Board of Directors of IBSA Holding SA. The power to appoint the members of the Foundation's Board of Governors is vested in the Chairman of IBSA Holding SA, given that most of the members of the Foundation's Board of Governors is always to be made up of people working for IBSA Holding SA or for IBSA Institut Biochimique SA or other individuals designated by the Board of Directors of IBSA Holding SA.

At least one member of the Foundation's Board of Governors is to be domiciled in Switzerland.

The term of office is indefinite and extends until the resignation or revocation by the President of IBSA Holding SA.

The Foundation's Board of Governors can establish internal executive committees of the Board, appoint an agent, as well as one or more persons to take care of the Foundation's ordinary management or delegate certain duties to external people.

The Board of Governors manages the Foundation abiding by the law, the Foundation's Constitution and Bylaws, applying its own judgement and seeing that the Foundation's purpose be rightfully pursued, and the Foundation's funds rightfully used. The Board of Governors determines and controls the Foundation's activities, it makes decisions regarding contributions or donations based on its own free judgement.

The Board of Governors regulates the operation of the Foundation through the Rules.

The Board of Governors manages the Foundation's endowment in accordance with the provisions set forth in the Foundation's constitution, these Bylaws and the Rules. To that end, the Board can avail itself of the advice of bankers or industry experts or delegate to them management of part of its assets.

Art.7 Representation and signing authority

The Board of Governors represents the Foundation before third parties and has signing authority.

Art.8 Use of the Foundation's capital

The Board of Governance sees that, as a rule, annual expenses and contributions do not exceed the aggregate income generated by the Foundation's assets.

Decisions on the use of the Foundation's capital for expenses or contribution require the unanimous vote of the members of the Board of Governors.

Art.9 Meetings of the Board of Governors

The meetings of the Board of Governors are convened by the Chairman and held anytime it is needed for the Foundation's activities or upon request of at least two of its members. As a rule, the notice of meeting is to be sent at least 10 days prior to the meeting.

When all members agree and are present, a meeting of the Board of Governors can be held also if the formalities above are not adhered to.

Board of Governors meetings for approval of the budget for the following year and of the annual accounts are held every year in the spring.

Art.10 Resolutions of the Board of Governors

The resolutions of the Board of Governors are valid if at least two of its members are present.

Resolutions can be taken also by written circular if no member requests a meeting or an oral discussion. For urgent matters, when there is no time to convene a meeting, the Board of Governors can take resolution through telephone conversations. However, resolutions taken in such a manner are to be confirmed in writing by all members of the Board of Governors within 72 hours.

Unless provided otherwise under the law or the Bylaws, the resolutions of the Board of Governors require the favourable vote of most of all members to be passed. In the event of a tie vote, the chairman shall cast the deciding vote. Each member is entitled to one vote.

The resolutions passed by the Board of Governors shall be recorded in meeting minutes.

Art.11 Secretariat

The Board of Governors can set up a Foundation's secretariat.

Art.12 Board of Governors' allowance

For their work, the members of the Board of Governors do not receive any allowance. They are entitled to reimbursement of out-of-pocket expenses.

Art.13 Scientific Board

The Scientific Board is the Foundation's advisory board. It is composed of a varying number of members who are chosen by the Foundation's Board of Governors among people who either personally or as representatives of national

or international institutions are distinguished professionals with recognised expertise and reputation in the Foundation's areas of focus.

The Scientific Board prepares the scientific program for the attainment of the Foundation's purpose on an annual basis. Each member of the Scientific Board remains in office for the term established at the time of their appointment by the Foundation's Board of Governors, unless resigning or being revoked prior to the expiration of their term. The Scientific Board is chaired by the Foundation's Chairman and meets when a meeting is convened by the Foundation's Chairman.

Art.14 Advisory Board

The Advisory Board is the Foundation's advisory board and it is composed of a varying number of members who are chosen by the Foundation's Board of Governors on a proposal from the Director of the Foundation among highly qualified people, legal entity and national or international institutions with recognised expertise and reputation in the Foundation's areas of focus.

The Advisory Board formulates, in collaboration with the Board of Governors, opinions and proposals on the annual program of initiatives and on any other matter for which it expressly requests the opinion to define the Foundation's cultural strategy. Each member of the Advisory Board remains in office for the term established at the time of their appointment, unless resigning or being revoked prior to the expiration of their term

The Advisory Board is chaired and convenes on convocation of the Foundation Director.

Art.15 Auditors

The Foundation's accounts shall be audited by one or more certified auditors, either individual CPA or auditing firm, appointed by the Foundation's Board of Governors. The members of the Board of Governors cannot serve as Foundation's auditors.

Auditors examine the Foundation's annual accounts prepared using the Swiss franc as currency and issue the related auditors' report.

Art.16 Accounts

The Foundation's accounts shall be closed on December 31 of each year. The accounts for the first year will be closed on December 31, 2013.

Art.17 Dissolution and liquidation of the Foundation

The Foundation's Board of Governors can dissolve the Foundation at any time for reasons set forth in law, in agreement with the relevant supervisory authority.

Upon dissolution of the Foundation, the then-current Board of Governors shall transfer any residual net assets to institutions having a purpose that is like the purpose of the Foundation, subject to prior approval by the supervisory authority.