

DEED OF FOUNDATION “HIMALAYA’S CHILDREN”

Before me, Simon Basler, civil law notary in 4310 Rehinfelden, the following party appears today:

Elisabeth Erne-Ackle, born 16th of December 1942, originally from Laufenburg, domiciled in 5080 Laufenburg, Ziegelhüttenweg 4.

Elisabeth Erne-Ackle declares:

I. Name, Registered Office, Objective and Assets of the Foundation

Article 1: Name and Registered Office

Under the name Foundation “Himalaya’s Children” an independent foundation with registered office in Laufenburg has been established. This foundation will be governed by Article 80ff. of the Swiss Civil Code. Any relocation of the Foundation’s registered office to another place in Switzerland requires the approval of the regulatory office.

II. Objective

The Foundation supports on the ground the development of society and the standard of living by means of education and medical care. The Foundation helps to elevate the future prospects of children, being active mainly on the Indian subcontinent, especially in the Kingdom of Mustang (Nepal).

The foundation works particularly in the following fields:

- Attending grants for pupils of the Great Compassion Boarding School in Lo-Manthang und Pokhara.
- Supporting families by means of schooling and education of their children who otherwise wouldn’t have a chance to attend school.
- Awards grants for gifted children from indigent families.
- Participate actively in financing the construction and maintenance of all school buildings and living quarters of both children and staff.
- Guarantees in all projects to respect as much as possible the local living habits, culture and ethics of the people involved.
- Promotes the encounter and understanding of different cultures.

The Foundation remains neutral in political and religious affairs and does not seek any commercial profit.

Article 3 Assets

The founder endows the Foundation with a capital of 50'000 Swiss Franks (Fifty Thousand) in cash.

This capital may be increased by the Founder, or by any other person or party, at any time. The Board of the Foundation strives to increase the Foundation's assets by private and public donations.

The Foundation's assets shall be managed according to accepted commercial standards. Risks shall be limited. The assets can not be exposed to any kind of speculation, but investments don't need to be gilt-edged.

III. Organization of the Foundation

Article 4 The Foundation's Governing Bodies

The governing bodies of the foundation are as follows:

- The Board of the Foundation
- An auditor, unless the duty of auditing has been removed by the regulating authority.

Article 5 Board of the Foundation and composition

The Foundation will be managed by the Board of the Foundation. The board is composed of at least three natural persons or representatives of legal persons. All work for the „Himalaya's Children Foundation“ is honorary and unpaid. The Board of the Foundation decides on compensating board members or persons to whom special responsibilities have been assigned.

The initial Board of the Foundations is composed by the following members:

- The founder Elisabeth Erne-Ackle, originally from and living in Laufenburg, acting as Chairwoman of the Board.
- Barbara Roninger, originated from and living in Magden, Member of the Board and Treasurer.
- John Krebs, originated from Wattenwil, living in Balpberg, Member of the Board.

Article 6 Constitution and Additions

The Board of the Foundation constitutes itself and may invite additional members, if and when required. New members would only be considered if they have the correct attitude towards the Objective of the Foundation.

Article 7 Term of office

Members of the Board of Trustees serve a term of three years. Re-election is permitted.

Members of the Board of the Foundation are appointed for each term of office by cooptation through the current Members. If a Member of the Board leaves during term of office, a replacement must be elected for the remaining term.

A Member may be removed from the Board for a valid reason. A "valid reason" would be if the member failed to meet the obligations entitled to the Foundation, or if this member is no longer in a position to carry out his/her office appropriately.

The Board of the Foundation can remove a Member by a two-thirds majority vote.

Article 8 Authority

The Board is responsible for the overall management of the Foundation. It has all the authority which has not explicitly been conferred to another governing body by this Deed or any other regulations. The Board of the Foundation has the following responsibilities:

- Regulation of signature rights and substitution.
- Election of the Board and the auditor.
- Approval of the Annual Report.

The Board of the Foundation may change the regulations at any time to be in line with the Objective of the Foundation. Amendments to the regulations will require the approval of the supervisory authority.

The Board of the Foundation is entitled to pass some of their responsibilities on to one or more of its Members, or to a third party.

Article 9 Decisions

The Board of the Foundation is functional when the majority of members are present. The Board shall pass resolutions with a simple majority of the Members present, as long as the Deed of Foundation or any other regulations do not stipulate a qualified majority. If votes are tied, the Chair has the casting vote. Minutes will be kept of the meetings and resolutions.

Resolutions and elections may also be carried out in written circular-correspondence unless no Member requests that the matter be discussed in person.

Under normal circumstances, an invitation to a meeting of the Board of the Foundation must be communicated at least 15 calendar days prior to the intended date of the meeting.

Article 10 Responsibilities of the Governing Bodies of the Foundation

All persons involved in the Foundation's administration, management or auditing will be held responsible for any damage they may cause through intentional or negligent actions.

If more than one person is responsible for damage, each person is liable insofar this person is directly responsible through negligence or the circumstances for the damage caused.

Article 11 Regulations

The Board of the Foundation will set out the principles of its activities and organization in one or several regulations. The regulations and any changes to them must be submitted to the supervisory authority.

Article 12 Auditor

With regard to the legal requirements, the Board of the Foundation elects an impartial external auditor to examine the foundation's accounting on an annual basis. The auditor will present a detailed Annual Report to the Board of the Foundation for approval. The auditor will also monitor compliance to the Deed of Foundation and to the foundation's regulations.

The auditor must notify the Board of any irregularities identified. If these irregularities are not remedied within a reasonable period of time the auditor must, if necessary, notify the supervisory authority.

III. Changing the Deed of Foundation and Termination of the Foundation

Article 13 Changing the Deed of Foundation

According to the terms of Articles 85, 86 and 86b of the Swiss Civil Code, the Board of Trustees is entitled, by unanimous resolution, to apply to the competent supervisory authority to amend the Deed of Foundation.

Article 14 Termination

The duration of the Foundation is unlimited.

The Foundation may only be wound up prematurely for one of the reasons set out by the law (Article 88 of the Swiss Civil Code) and only with the agreement of the supervisory authority and two-thirds majority resolution of the Board of the Foundation.

On termination, the Board transfers any assets to charitable organizations and/or foundations with similar objectives and residence in Switzerland. The Foundation's assets may not revert to the Founder or his legal successors.

IV. Commercial Register

Article 15 Registration in the Commercial Register

The foundation will be registered in the Commercial Register of the Swiss Canton Aargau.

Rheinfelden, 9th of January 2009

The Founder
Elisabeth Erne-Ackle