I. Name, seat and purpose of the foundation

1. Name, seat

Under the name

Stiftung Zahnfreundlich
(Toothfriendly Foundation)

a foundation in the meaning of Article 80 ff of the Swiss Civil Code is founded with seat in Basel.

The foundation is registered in the Commercial Registry of the City of Basel and is under the supervision of the competent Cantonal Authority.
2. Purpose

The purpose of the foundation is the advancement of dental health, in particular in children and adolescents, and in particular in regions and population groups with elevated risk of caries.

The foundation will live up to its purpose especially by:

- the instruction and guidance of children to the earliest possible familiarization with caries-preventative behavior;
- the general advancement of consciousness of a toothfriendly conduct which includes oral hygiene, nutrition and regular dental controls;
- the promotion and licensing of a protected trademark (the “Happy Tooth”) for demonstrably toothfriendly foods as well as oral care articles, services in the area of oral health and selected other products;
- the promotion of caries-prophylactic measures (in particular fluoridation);
- the promotion of measures serving the supply of needy population groups with oral hygiene products (especially with tooth brushes and toothpastes).

With regard to factual issues, the foundation bases its execution of these measures on the opinion of a scientific advisory board whose members include experts in dental medicine.

The foundation pursues a non-profit purpose and can make all legal transactions and acquire all means serving its purpose.

3. Regulations

The board of the foundation can set up rules for the realization of the foundation purpose. They must be submitted to the supervising authority.
II. Foundation capital

4. Initial capital, funding

The founder dedicates an initial capital in the amount of CHF 10,000 to the foundation.

The foundation capital is funded by:

- additional contributions of the founder
- gifts, bequests and other donations by third parties
- proceeds from the use of the „Happy Tooth“ trademark

The yield of the foundation capital and the foundation capital are available to the foundation for pursuing the foundation purpose. The proceeds are added to the capital if they are not used for covering ongoing expenses.

The foundation capital is exclusively liable for any liabilities of the foundation.

5. Investment, use

The foundation capital must be invested according to the principles of sound asset management.
The foundation can buy and sell real estate.
The foundation can also sell parts of the foundation's assets as long as it serves the foundation purpose.
III. Organization of the foundation

6. Organs

The organs of the foundation are:

- the foundation board (article 8)
- the management (article 9)
- the audit office (article 10)

7. Foundation Board

7.1 Number, term of office

The foundation board consists of at least three members. At least one of the board members has a professional qualification in dental medicine or a closely related speciality.

7.2 Election, constitution

The founder appoints the members of the first foundation board and appoints the president of the foundation board. The foundation board constitutes itself at the beginning of each fiscal year. In particular, it elects the president and the vice president of the foundation board. The renewal of additional foundation board members takes place through unanimous vote.

The dismissal of a foundation board member is possible by unanimous decision of the remaining foundation board members. The foundation board member who is to be dismissed, must be heard before a decision is taken.
7.3 Convocation, setting of agenda, adoption of resolution, protocol

The president or the audit office convenes the foundation board as often as the business of the foundation requires, but at least twice yearly. The foundation board is also convened at the request of an individual foundation board member. Such a request must be submitted to the president with the agenda to be discussed.

The convocation takes place at least 20 days in advance while providing the agenda.

The foundation board has a quorum if the majority of the members is present.

The resolutions of the board members are passed with an absolute/simple majority of the submitted votes unless expressively stated otherwise in this statute or in a regulation. In a draw, the vote of the chairman counts twice.

Circulation decisions can only be made when all members of the foundation board agree.

The foundation board can determine additional procedures, in particular the procedure in case of urgency and the passing of resolutions with the circular method, in a regulation.

A protocol must be kept on the debates and the resolutions of the foundation board.

7.4 Tasks and competencies

The foundation board has the following authority:

- Determination of the foundation’s basic strategy;
- Execution of the foundation transactions, or if the foundation board has appointed a management, its supervision;
- Administration of the foundation assets and passing of financially effective resolutions;
- Representation of the foundation to the outside;
- Determination of the persons who sign for the foundation. Persons authorized to sign do not have to be members of the foundation board;
- Election and dismissal of members of any commission;
- Election and dismissal of management and the audit office;
- Definition of the rules for implementing the foundation purpose and issuance of corresponding regulations. The regulations as well as any amendments thereof must be submitted to the supervisory authority for approval;
- Adoption of resolutions according to additional rules of this statute and in all matters of the foundation that are not in this statute and have not been expressively transferred to other organs.

7.5 Delegation of authority

The foundation board can delegate part of its authority to individual members or to the management or commissions, in line with a regulation.

7.6 Compensation

The members of the foundation board and additional organs of the foundation can be appropriately compensated for their activities according to a regulation issued by the foundation board.

8. Management

The foundation board can appoint one or more managers and additional assistants and assign tasks in the area of the foundation’s administration as well as for the realization of the foundation’s purpose.

The managers and their assistants report to the foundation board.

9. Audit Office

The auditor office consists of one or more natural persons or a legal person. The audit office is responsible for auditing the annual financial statement. It reports annually to the foundation board.

The audit office submits a written report on its audit to the foundation board. This report must be approved by the foundation board and submitted to the supervisory authority.
IV. Financial statements

10. Financial Statements

The fiscal year of the foundation is the calendar year. The financial statement must be concluded annually on December 31 and must be submitted together with the activity report of the foundation board to the supervisory authority.

V. Supervision

The foundation is under the supervision of the competent authority.

VI. Changes of the foundation charter

11. Changes of the Foundation charter

The foundation board has the right to alter the foundation statute or to amend it while fully preserving the foundation purpose, subject to approval by the supervisory authority.
VII. Dissolution of the foundation

12. Dissolution of the foundation

The foundation can be dissolved through a resolution by the foundation board with approval of the supervisory authority if the foundation purpose can no longer be achieved.

In the case of dissolution, the foundation board decides to which institution or institutions, whose purpose is similar to that of the foundation, the assets of the foundation should be transferred.

A return of the foundation assets to the founder or her assignees is excluded.

As first members of the foundation board are nominated

- Prof. Dr. B. Guggenheim
- Prof. Dr. Th. Marthaler
- PD Dr. Stefan Zimmer

The nominated persons accept their appointment by signing the request for entry of the foundation in the Commercial Registry.

After the foundation statutes have been read aloud and have been approved and signed by those present, it was also signed by me, the notary public, by attaching my official seal.

Signed at Basel, on the 6th day of September 2004 (two thousand and four)