

Statutes of the
"Peter-und-Luise-Hager-Stiftung"

Peter-und-Luise-Hager Foundation

§ 1

Name, legal form, registered office

- (1) The Foundation bears the name "Peter-und-Luise-Hager-Stiftung" (Peter-und-Luise-Hager Foundation).
- (2) It is a legally incorporated foundation under civil law.
- (3) The Foundation is registered at 66131 Saarbrücken-Ensheim.
- (4) The business year for the Foundation is based on the calendar year.

§ 2

**Objective of the Peter-und-Luise-Hager Foundation,
common benefit**

- (1) The objectives of the Peter-und-Luise-Hager Foundation, hereafter referred to as the Foundation, are to promote:
 - science and research,
 - education and learning,
 - environmental protection,
 - art and culture and
 - charitable and benevolent projects.

Carrying out the objectives of the Foundation includes in particular the promotion of educational facilities, bearing costs for events associated with the objectives of the Foundation outlined above, granting scholarships and presenting prizes.

- (2) The Foundation therefore pursues exclusively and directly non-profit objectives within the meaning of the section on "Tax-exempt objectives" in the German Regulation of Taxation.
- (3) The Foundation is non-profit-making; it does not primarily pursue its own financial purposes.
- (4) The Foundation funds may only be used for purposes in accordance with the terms of its statutes. No one shall be favoured by expenditure which is foreign to the objectives of the Foundation or through disproportionately high payments.
- (5) The Foundation performs its tasks or has them performed by an auxiliary within the meaning of § 57, section 1, page 2 of the German Regulation of Taxation provided that such parties are not entrusted with fund-raising activities as defined by § 58, no. 1 of the German Regulation of Taxation. The Foundation may run special-purpose enterprises for carrying out the Foundation's objectives.

§ 3

Foundation assets

- (1) The Foundation assets are calculated from Foundation business.
- (2) The Foundation assets shall be kept undiminished on a permanent basis and must be invested profitably.
- (3) The Foundation assets may be restructured. Restructured profits may be used in full or part for performing the objectives of the Foundation.
- (4) Allocations shall be added to the Foundation assets (donations). The Foundation may accept such donations. Allocations without purpose due to instruction by death and free reserves within the meaning of § 58, no. 7a of the Regulation of Taxation may also be inserted in the Foundation assets.

§ 4

Appropriation of investment income and allocations

- (1) The Foundation performs its tasks from the income earned on the Foundation's assets and allocations which are not expressly intended for increasing the Foundation's assets. This does not apply to reserves or additions to the Foundation's assets in accordance with § 58, no. 7a of the German Regulation of Taxation.
- (2) Where necessary, the Foundation can add its funds in full or part to reserves in order to fulfil its tax-exempt objectives and where there are specific plans and timelines for the use of such reserves.
- (3) In order to retain value, some of the annual yields should be added to a free reserve or to the Foundation's assets within the framework of where permitted by tax regulations to maintain the substance and as compensation for inflation.
- (4) These Statutes do not give rise to legal entitlements to Foundation payments by third parties.
- (5) Funds may only be appropriated for statutory purposes and for covering the requisite administrative costs. No one shall be favoured by expenditure which is foreign to the objectives of the Foundation or through disproportionately high payments.

§ 5

Foundation bodies

- (1) The Foundation bodies are the Management Board and the Foundation Board.
- (2) The members of the Foundation bodies act voluntarily. However, they are entitled to remuneration of any necessary expenses.
- (3) A member of one Foundation body may not simultaneously be a member of another body.

§ 6

Management Board

- (1) The Foundation Management Board comprises three persons. One member represents each of the founders. The duration of term of office is five years. Reappointment is permissible. On expiry of the term of office, the current Management Board shall continue to manage business until the new Management Board is appointed.
- (2) In any case, members of the Management Board shall retire from the Management Board on completion of their seventieth year.
- (3) Where a member of the Management Board resigns from office prior to expiry of the term, the seconding founder shall appoint a substitute member for the remainder of the term of office. Until such a person is appointed, the number of members of the Management Board is reduced by the number of resigning persons.
- (4) The members of the Management Board can only be recalled by the Foundation Board for important reason prior to expiry of the term of office. This shall not affect the rights of the Foundation Supervisory Authority.
- (5) From among its members, the Management Board appoints a Chairman and Vice-Chairman for the duration of the term of office.
- (6) The first Management Board shall be appointed as part of the founder's deed.
- (7) The Management Board should comprise persons displaying particular expertise and experience with regard to fulfilling the tasks of the Foundation. One member should be an expert in the area of finance and economic issues.

§ 7

Management Board tasks

- (1) The Management Board is responsible for deciding on all fundamental issues in accordance with the Statutes and for managing ongoing Foundation operations.
- (2) The Management Board has the function of a legal representative and acts for the Foundation both judicially and extrajudicially. Each member of the Management Board has sole right of representation.
- (3) Within the framework of Foundation law and these Foundation Statutes, the Management Board shall comply with the founder's intention as effectively as possible. Its tasks shall include, in particular:
 - administration of the Foundation's assets,
 - appropriation of Foundation's funds within the framework of the guidelines agreed by the Foundation Board and
 - compilation of a budget plan, annual financial statements and the activity report.
- (4) In preparation for its resolutions, completion of its tasks and fulfilment of ongoing business, the Management Board shall be entitled to consult experts.

§ 8

Management Board resolutions

- (1) Management Board resolutions are generally made in meetings. The Management Board is summoned in writing for a meeting by the Chairman – or the Vice-Chairman if they are unable to act – as required but at least once a year indicating the agenda and by providing two weeks' notice. Meetings shall also be summoned if so requested by a member of the Management Board. Decisions may also be taken in writing provided no member of the Management Board objects.

- (2) With the exception of the cases outlined in §§ 11 and 12, Management Board resolutions are passed by a simple majority of members.
- (3) Minutes must be taken of resolutions passed in the Management Board meetings. These minutes must be signed by the Chairman and another member. They must be brought to the attention of all members of the Management Board and the Chairman of the Foundation Board. All Management Board resolutions shall be collected and filed for as long as the Foundation exists.

§ 9

The Foundation Board

- (1) The Foundation Board comprises seven members. The members of the Foundation Board are appointed by the founders. The members are then elected by the Foundation Board. Reappointments are permissible. The duration of term of office is five years for members of the Foundation Board. From among its members, the Foundation Board elects a Chairman and a Vice-Chairman.
- (2) The Foundation Board should comprise persons displaying particular expertise and experience with regard to fulfilling the tasks of the Foundation. One member should be an expert in the area of finance and economic issues.
- (3) Positions held by members of the Foundation Board shall end on expiry of the term of office or on completion of their 75th year. In such cases, the member of the Foundation Board shall remain in office until a successor has been appointed. Terms of office also expire on death or resignation which is permissible at any time. In such cases, the Foundation Board comprises the remaining members of the Foundation Board who will continue to manage their tasks until a successor has taken office. A resigning member of the Foundation Board shall be replaced without delay by co-opting.
- (4) A Foundation Board member can be recalled by the Foundation Board at any time for an important reason and in a meeting with the Management Board. The resolution shall require the respective majority of members of the Management

Board and Foundation Board. The respective member shall be excluded from voting in this procedure. They shall be given an opportunity to comment beforehand.

§ 10

Foundation Board tasks and resolutions

- (1) Within the framework of Foundation law and these Foundation Statutes, the Foundation Board shall advise, support and monitor the Management Board in order to comply with the founder's intention as effectively as possible. Its tasks shall include, in particular:
 - recommendations on the appropriation of Foundation funds
 - approval of the budget plan, annual financial statements and the activity report
 - issuing guidelines for fulfilling the Foundation objectives
 - recalling members of the Management Board for important reasons
- (2) The Foundation Board may consult experts for preparing its resolutions.
- (3) The Foundation Board shall be authorised to release the Management Board in full or part from the restrictions of § 181 of the German Civil Code.
- (4) The Foundation Board should convene once a year in the form of an ordinary meeting. An extraordinary meeting should be called if so requested by at least one member or the Management Board. The members of the Management Board and experts may participate in a consulting capacity in Foundation Board meetings.
- (5) § 8 shall apply accordingly for resolutions by the Foundation Board. The Foundation Board shall be entitled to draw up its own rules of procedure.

§ 11

Amendments

- (1) The Foundation bodies shall be entitled to resolve amendments to the Statutes if they do not affect the Foundation's objectives and do not essentially change the original design of the Foundation.
- (2) Resolutions on amendments to the Statutes may only be made in joint meetings by the Management Board and Foundation Board. The amending decision shall require a two-thirds majority of both the members of the Management Board and the Foundation Board.
- (3) Decisions concerning amendments to the Statutes shall require the approval of the Foundation Supervisory Authority. They shall be reported with comments to the tax authorities.

§ 12

Extending and amending objectives, consolidation and dissolution

- (1) The Foundation bodies may attribute the Foundation an additional objective if the lasting and sustainable implementation thereof appears to be guaranteed without endangering the original objective and the Foundation yields are only required in part for attaining the current Foundation objective.
- (2) The Foundation bodies may resolve to amend the Foundation objective, consolidate with another Foundation or dissolve the Foundation if the Foundation objective becomes impossible or the situation changes to such an extent that the lasting and sustainable fulfilment of the Foundation's objective no longer appears to be practical. Resolutions must not negatively impact the tax exemption status of the Foundation.
- (3) Resolutions on extending or amending objectives, consolidation or dissolution may only be made in joint meetings by the Management Board and Foundation

Board. The amending decision shall require a three-quarters majority of both the members of the Management Board and the Foundation Board.

- (4) Resolutions on extending or amending the objectives, consolidation or dissolution shall only be effective after approval by the Foundation Supervisory Authority. They shall be reported with comments to the tax authorities.

§ 13

Incurred assets

If the Foundation is dissolved or annulled or its tax-exempt objectives no longer apply, its assets will fall to a legal entity under public law or another tax-exempt corporate body for the purpose of use for tax-exempt objectives within the meaning of § 2 of these Statutes. Resolutions on the future use of assets may only be passed with the approval of the tax authorities. Within this framework, the Management Board determines the recipient of assets.

§ 14

Foundation Supervisory Authority

- (1) The Foundation is subject to state supervision in accordance with Saarland Foundation Law.
- (2) The Foundation Supervisory Authority shall be notified of Foundation matters at any time and on request. Unsolicited notifications of amendments to the composition of Foundation bodies as well as the budget plan, annual financial statements and the activity report shall be submitted.