

# Statutes of the Non-Profit Association

## International Solar Energy Research Center Konstanz

Passed at the inaugural meeting, 12 December 2005

Amended on 30 March 2006, 5 June 2008, 31 July 2008, 12 December 2008, 16 April 2009, 15 May 2014,  
12 May 2015

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### **Section 1 Name, Registered Seat and Financial Year**

- (1) The non-profit association (hereinafter referred to as *association*) bears the name “International Solar Energy Research Center Konstanz”, ISC.
- (2) The association has its registered seat in Konstanz, Germany.
- (3) The association is registered with the Register of Associations at Amtsgericht Konstanz (the lower regional court of Konstanz).
- (4) The financial year corresponds to the calendar year.

### **Section 2 Purpose of the Association**

- (1) The association shall directly and exclusively serve public-benefit purposes as defined in the chapter entitled “Tax-privileged purposes”, Section 51 onwards of the Fiscal Code of Germany (Abgabenordnung).
- (2) The association’s purpose is to promote fundamental and applied research and development in the field of solar energy resource utilisation, to support the widespread use of solar energy and to strengthen development cooperation. In particular, the statutory purpose is achieved by the association
  - a. conducting its own research and development,
  - b. promoting training and further education through collaboration with universities, research institutions and other organisations,
  - c. promoting the exchange of ideas between individuals, companies, scientific institutions, associations, authorities, and public institutions that share the association’s objectives,
  - d. publishing – particularly its own – research results,
  - e. informing its members about its work, and
  - f. carrying out or participating in development cooperation projects that aim to improve local energy supply, using material originally produced for the association’s research and development activities. The association may enlist local support to carry out these activities.
- (3) The association may establish or participate in legal persons. Any profits accruing from such participation shall be used exclusively for fundamental and applied research and development in the field of solar energy resource utilisation.

- (4) The association derives the financial means needed to perform its tasks from membership fees, donations and other financial contributions.
- (5) The association acts altruistically. It does not primarily serve its own economic purposes.
- (6) The association's funds may be used for the purposes set out in the statutes only. Members shall not receive any allocations from the association's funds. No one may benefit from expenditure on services that are unrelated to the purpose of the association or from disproportionately high remuneration. Expenditure and remuneration must not exceed actual costs incurred.
- (7) The association's scientific work follows the principle of freedom of research. Within the scope of the fundamental decisions made by the association's Board of Directors (hereinafter referred to as *board*) and of the tasks defined in section 2 paragraph 2, the association is not subject to any restrictions regarding the selection, sequence, and execution of its scientific work.

### **Section 3 Membership**

- (1) Any natural or legal person or association that recognises the statutes of the association and supports its objectives may become a member of the association.
- (2) Active membership is usually conferred upon natural persons who possess special knowledge and experience in the field of solar energy research. They have to apply for active membership in writing from the board. Active members have to acknowledge the statutes of the association in writing.
- (3) Legal persons can join the association as supporting members only. They have to apply for supporting membership in writing from the board. Supporting members have to acknowledge the statutes of the association in writing.
- (4) Supporting members support the association financially as well as in non-material ways.
- (5) If the majority of the board rejects an application for active or supporting membership, the applicant may renew his or her application in writing at the general assembly following the rejection. Having heard the board on the issue, the general assembly shall reach a final decision by a simple majority.
- (6) Natural persons who have made outstanding contributions towards the association's objectives may become honorary members of the association. Honorary members are appointed by the board. The association's members have the right to nominate candidates. Honorary members support the association in non-material ways.
- (7) Membership ends by
  - a. resignation, which must be tendered at least three months prior to the end of a financial year by written notice to the board,
  - b. expulsion for non-payment of membership fees if the member's payment is still overdue after one year of invoicing and after two reminders, the second one being sent by registered post, and if the member has been informed of the consequences resulting from a failure to pay,
  - c. expulsion – determined by the general assembly at the board's request – for behaviour that is damaging to the association, or
  - d. death or, if the member is a legal entity, deletion from the corresponding register/the association's dissolution.

#### **Section 4 Members' Rights**

- (1) Members are entitled to be informed about the activities performed by the association in the course of a financial year; this is done at the regular general assembly.
- (2) All members are entitled to put forward motions to the association.
- (3) Active members have active and passive voting rights.

#### **Section 5 Members' Duties**

- (1) All members are obliged to comply with the provisions of the statutes and support the association in fulfilling its statutory tasks.
- (2) Active and supporting members are obliged to pay membership fees. The particulars are set out in the association's financial and membership fee regulations.

#### **Section 6 Bodies of the Association**

The bodies of the association are the general assembly, the board and the Advisory Board.

#### **Section 7 Tasks of the General Assembly**

- (1) The general assembly is the association's highest decision-making body.
- (2) In particular, the general assembly
  - a. passes resolutions concerning the agenda,
  - b. approves the preceding general assembly's minutes,
  - c. receives the board's annual report and accounts, the cash report, and the auditors' report,
  - d. discharges the board,
  - e. approves the budget for the next financial year duly submitted by the board,
  - f. decides on motions relating to the agenda,
  - g. elects the board,
  - h. elects the association's auditors,
  - i. decides on the association's financial and membership fee regulations,
  - j. decides on amendments to the statutes, and
  - k. decides on the association's dissolution.
- (3) The general assembly is not public. The supporting members' delegates on the Advisory Board and the honorary members have the right to attend and speak. The supporting and honorary members will be informed about the general assembly in an appropriate manner.
- (4) Each active member has one vote.
- (5) Unless otherwise specified by law or the provisions of the statutes, all resolutions are passed by a simple majority of the active members present. Abstentions are not counted. In the event of a tie, the respective motion shall be deemed rejected.

- (6) The board is elected and voted out of office by secret ballot. Auditors may be elected by open vote if all of the present active members as well as the candidates agree. All other decisions are made by open vote.
- (7) The Director of Internal Organisation takes the minutes of each general assembly, which have to be signed by the Director of Internal Organisation and the chair of the assembly. The signed minutes are to be approved in the following general assembly by the members present.
- (8) The supporting and honorary members are to be informed about the outcomes of the general assembly.

### **Section 8 Convening of the General Assembly**

- (1) The regular general assembly convenes once a year.
- (2) The board has to convene extraordinary general assemblies if
  - a. the majority of the board decides to do so, or
  - b. two thirds of the Advisory Board decide to do so, or
  - c. at least a quarter of the active members ask for it in writing.
- (3) The board convenes regular and extraordinary general assemblies by sending a letter that states the meeting place and time as well as the agenda. In addition, the invitation has to include the annual report and accounts, the cash report, and the budget. For regular general assemblies, the invitation is to be dispatched at least four weeks prior to the assembly, and for extraordinary general assemblies, at least two weeks prior to the assembly.
- (4) Regular and extraordinary general assemblies have a quorum if at least two thirds of the association's active members are present.
- (5) If a general assembly does not have a quorum, the board has to convene said assembly once more via letter. The notice period is two weeks for regular and one week for extraordinary general assemblies. The newly convened general assembly has a quorum regardless of the number of members present if this is stated in the written invitation.
- (6) Any member can propose motions for the general assembly's agenda. These motions need to be submitted to the board and the reasons for them need to be stated in writing at least two weeks prior to a regular and one week prior to an extraordinary general assembly. The general assembly decides which motions are included in the agenda.

### **Section 9 Board of Directors**

- (1) The board consists of at least three and at most five active members elected by the general assembly. The members of the board are elected for a period of two years. The board holds office until a new board is elected. Re-election is permitted.
- (2) Active members must announce their candidacy in writing to the current board at least two weeks prior to the regular general assembly in which the new board is to be elected. All members, including supporting and honorary members, have the right to nominate candidates and must observe the same notice period.
- (3) The members of the board are elected in a single ballot. Up to five candidates are elected in the order of votes received, provided that they receive at least a simple majority of votes cast by the present active members. If fewer than three candidates achieve the necessary majority of votes, the remaining required board seats are filled in a second ballot. These candidates are elected in the order of votes received. There is one vote for each potential member of the board. Cumulative voting is not permitted. The right to vote is

not transferable. The general assembly decides on objections to the election by a simple majority immediately after the objections are raised; it decides to either repeat the election or reject the objections. If there are no objections upon request, the present members cannot contest the election at a later time.

- (4) Members of the Advisory Board cannot be elected to the board.
- (5) Four weeks after the general assembly has elected the board, at the latest, the members of the board elect the Speaker of the Board, up to two Deputies, a Finance Director, and a Director of Internal Organisation from among their number. The Advisory Board and the honorary members have the right to nominate candidates. The elected hold office until the next election.
- (6) All members of the board are legal representatives of the association as defined in Section 26 of the German Civil Code (BGB).

For legal transactions not exceeding a value of EUR 50,000, each member is authorised to solely represent the association.

For legal transactions exceeding a value of EUR 50,000, the following provisions apply:

  - a. For legal transactions concerning collaboration and research agreements, then two of the association's legal representatives are required to provide consent.
  - b. Legal transactions concerning the acquisition or sale of tangible assets (e.g. immovable property, machines) require a resolution of the board.
- (7) If a member of the board retires from office before the term is over, then the board may appoint a substitute.
- (8) In principle, the board works on a voluntary basis. Members of the board may receive a lump-sum remuneration, which shall be determined by the general assembly and cannot exceed EUR 720 per year (or the highest currently valid lump sum defined in Section 3 No. 26 of the German Income Tax Act [EStG]).

### **Section 10 Honorary Director**

- (1) The board may appoint a member of the board of outstanding merit who has retired from active service as an Honorary Director for the board's term of office by a simple majority.
- (2) An Honorary Director may participate in board meetings. However, he or she does not have the right to vote.

### **Section 11 Tasks of the Board of Directors**

- (1) The board is responsible for all matters concerning the association that the statutes do not assign to another body of the association. Its foremost task is to manage the association's organisational matters and implement the resolutions passed by the general assembly. In particular, it
  - a. manages the association's operational matters,
  - b. administers the association's assets,
  - c. takes out and gives loans and credits,
  - d. manages affiliations with organisations that share the association's objectives,
  - e. manages the association's public relations,
  - f. establishes specialised working groups and appoints their coordinators,

- g. appoints honorary members and Honorary Directors,
- h. plans and prepares the general assembly,
- i. produces and presents the annual report and accounts,
- j. produces and presents the cash report,
- k. produces and presents the budget, and
- l. produces and presents the financial and membership fee regulations.

### **Section 12 Passing of Resolutions of the Board of Directors**

- (1) The Speaker of the Board invites the members of the board to the board meetings. A board meeting must be convened if at least two members of the board ask for it.
- (2) The members of the board have to be invited by printed letter or email at least one week prior to the meeting.
- (3) In case of urgency, the board may also pass resolutions in writing or by telephone. Such express resolutions have to be confirmed at the next board meeting. If they are not confirmed, they become void.
- (4) The board has a quorum if at least three of three, three of four or four of five members of the board are present.
- (5) The chair of the meeting shall be determined before the meeting. Resolutions are passed by a simple majority of the members present. In the event of a tie, the respective motion shall be deemed rejected.
- (6) Minutes have to be taken for each meeting and have to be signed by the chair of the meeting. The minutes shall include the place and time of the meeting, the names of the participants, the resolutions passed and the results of the votes.
- (7) The board shall adopt its own rules of procedure.

### **Section 13 Advisory Board**

- (1) Each supporting member has the right to send a delegate to the Advisory Board.
- (2) The Advisory Board supports the work of the board. It advises the board on scientific matters and can provide recommendations.
- (3) The Advisory Board works on a voluntary basis.
- (4) The regular meeting of the Advisory Board is convened annually by the board. The Board of Directors, too, shall be invited to the meeting. At the meeting, the association's long-term strategic tasks as well as its short-term key activities are to be discussed.
- (5) Extraordinary meetings of the Advisory Board have to be convened by the board if at least a third of the supporting members ask the board to do so in writing.

### **Section 14 Audit**

- (1) The general assembly elects two auditors who are not members of the board. Auditors are elected for a period of two financial years. Re-election is permitted.

- (2) The auditors examine the board's cash management and bookkeeping after the end of each financial year and report to the regular general assembly. They work on a voluntary basis.
- (3) At their own discretion, the auditors may consult a chartered certified accountant or a tax consultant for the audit to certify the cash management and bookkeeping if necessary; the auditors are obliged to consult one if the general assembly decides so.

## **Section 15 Amendments to the Statutes and Dissolution of the Association**

- (1) The statutes can only be amended by the general assembly with a two-thirds majority of the voting members present. The purpose of the association can only be amended by a three-quarters majority of the votes cast in a general assembly. The motion to amend the statutes must be on the agenda.
- (2) Resolutions by which
  - a. a statutory provision that is essential for tax concessions is subsequently changed, added to, included in or deleted from the statutes, or by which
  - b. the association is dissolved, integrated into another corporation, or by which its entire assets are transferredhave to be reported to the tax office immediately.
- (3) The association's dissolution requires a four-fifths majority of the voting members present. The dissolution can only be decided on at a general assembly that was convened with an invitation mentioning the dissolution motion and naming the members who propose the motion.
- (4) If no special liquidators are appointed with the resolution for dissolution, then the members of the board are the individually authorised liquidators.
- (5) In the event of the association's dissolution or the cessation of tax-privileged purposes, the remaining assets of the association shall pass to Oeko-Institut e.V. Freiburg. The assets' recipient shall use them directly and exclusively for public-benefit purposes promoting the objectives of the association.
- (6) Resolutions concerning the future use of the assets in the event of the association's dissolution or the cessation of tax-privileged purposes may only be executed with the prior consent of the tax office.