

# Articles of Incorporation

## Preamble

The successful development of the two associations CFK Valley e.V. and Carbon Composites e.V. in the past decade reflects the interest of companies in fiber composite technology, in networking and exchanging information on technical issues. The close cooperation and the coordination of content between the two associations at Composites Germany on topics such as trade fair and event appearances, the establishment of a "Composites" training occupation, the harmonization of university education or the coordination of further education concepts have made it extremely clear to the representatives of the two associations that the interests of both sides are in harmony. Above all, the focus on different industries resulting from the history of both associations and the resulting synergy effects in the joint work for the industrial application of fiber composite technology became clear. In general, the merger will lead to a bundling of the financial and personnel resources of CFK Valley e.V. and Carbon Composites e.V..

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Please note: This document is merely a translation of the original German Articles of Incorporation. In all official and legal matters, the German version is authoritative.

### **§ 1 Name/Site/Fiscal Year**

- (1) The association bears the name Composites United. It shall be entered in the register of associations. It then carries the name with the addition e.V.
- (2) The main headquarters of the association is Berlin.
- (3) The fiscal year is the calendar year.

### **§ 2 Purpose of the Association**

- (1) The purpose of the association is to promote the application of fiber composite technologies and multi-material lightweight construction.
- (2) The purpose of the association is realized through the development and expansion of scientific and technical expertise as well as through the realization of a competence network for the research and development of materials and processes for the production of marketable fiber composite and multi-material lightweight structures. In the context of globalization, more and more international companies and research institutions are involved here in an innovative environment, so that the association is globally positioned. This involves the preservation and creation of qualified jobs both regionally and nationally as well as internationally.
- (3) The main goal of the association is the creation and maintenance of industrial technologies that serve the purpose of the association.
- (4) The association represents actively the network competence on regional, national and international level.
- (5) The language of the association is German.

### **§ 3 Membership**

- (1) Any natural person, any (commercial) partnership and any legal entity under public or private law (e.g. also research and university institutions) may become a full member of the Association if it promotes the attainment of the purpose regulated in § 2 by providing contact persons, financial resources or technical capabilities. This includes in particular, always taking into account the requirements of antitrust and competition law:
  - to make an essential and supporting contribution to the association and its purpose,
  - to support the Presidium and Executive Management in achieving the purpose of the Association.
- (2) Any natural person, any (commercial) partnership and any legal person under public or private law (e.g. also research and university institutions) whose membership is in the interest of the Association may become an Associate Member of the Association. The duration of the associated membership is limited to a maximum of one year and can be extended by the Presidium upon request (e.g. for companies in the start-up phase). Associate members participate in the flow of information. Participation in the flow of information can be restricted to certain areas (e.g. departments, working groups, working groups). Associate members are invited to General Meetings, but are not eligible to vote.
- (3) Every member of the association as well as the executive board is entitled to propose new members for admission. The application for admission must be made in writing. The Presidium decides on the admission. There is no entitlement to admission.

- (4) Each member of the association retains its legal and economic independence and continues to make its decisions autonomously and independently of the other members of the association or of the association itself. The exchange of information between the members of the Association shall take place exclusively in order to achieve the objectives defined in § 2 and shall in particular not include any competitionally sensitive information on production and sales (e.g. prices, delivery quantities and capacities), market strategies and benchmarking (e.g. with regard to cost structures) of the members of the Association.
- (5) The admission fees and the annual membership fees to be paid shall be determined by the General Assembly in a membership fee schedule. The distribution of funds shall be regulated by the executive committee.
- (6) Each member will nominate one or more key contact persons from his or her company or organization to the executive management.
- (7) A new club member is accepted if his application for membership has been accepted by the executive committee and the membership fee has been paid in accordance with the regulations of the membership fee regulations.
- (8) Membership ends
  - a) with the death (natural person) or dissolution (partnership) of the member
  - b) by resignation
  - c) by exclusion from the association.
- (9) The resignation must be declared in writing to the general management with six months' notice to the end of the calendar year.
- (10) An association member can be expelled from the association on request if there is an important reason for doing so. Each member as well as the main management is entitled to submit an application. The members of the executive committee decide about the exclusion in the context of an executive committee meeting called according to § 6 Abs. 9 with a 2/3- majority of the present members. The request for exclusion must be sent to the member concerned at least four weeks before the executive committee decision, stating the reasons for any opinion and hearing. The exclusion decision shall be notified to the member in writing and shall take effect upon receipt. The excluded member is not entitled to a refund of any fees already paid.

#### **§ 4 Bodies**

Organs of the association are

- the General Meeting
- the Presidium (Executive committee)
- the Overall Board
- the Advisory Board

## § 5 General Meeting

- (1) In the General Meeting the speaker of the executive committee and the main management report on all substantial business of the association.
- (2) The General Meeting decides on
  - a) Articles of Association and amendments to the Articles of Association
  - b) Collection of contributions and fees
  - c) Discharge of the Presidium (Executive committee)
  - d) Approval of the business plan and annual financial statement
  - e) Election of the cash auditors
  - f) Election of the 8 members of the Presidium (Executive Committee) with the exception of the Founding Presidium
  - g) Dissolution of the association
  - h) all matters submitted by the Presidium to the General Meeting.
- (3) An ordinary General Meeting takes place in each business year. Extraordinary General Meetings are to be called if it appears necessary in the interest of the association, furthermore if 40 % of the members demand the call by written petition at the seat of the association under indication of the agenda and the reasons.
- (4) The General Meeting shall be convened by a member of the Presidium and a representative of the Executive Management, stating the time, place and agenda, in writing (e.g. by letter or e-mail). The invitation period is at least two weeks. The invitation is considered delivered if it has been sent to the last address or e-mail address communicated to the Association. Each member can request an addition to the agenda in writing from the executive committee up to one week before the General Meeting at the latest.
- (5) The duly convened General Meeting shall constitute a quorum irrespective of the number of members present or represented.
- (6) Each ordinary member is entitled to vote. It may transfer its vote or be represented by an employee or by a member of a legal or tax advisory profession who is bound to secrecy by law. If representation is not provided by one of the contact persons nominated by the member in accordance with § 3 paragraph 6, the authorized representative must submit a written power of attorney document.
- (7) Resolutions shall be passed by a majority of the valid votes cast. Each ordinary member shall have one vote. Resolutions on amendments to the statutes and dissolution of the Association require a majority of at least 75% of the valid votes cast to be effective.

In elections, the candidate with the most votes is elected (relative majority). The elections of the Presidium (Executive committee) can be summarized by the assembly leader in a single ballot. The 8 applicants with the most votes are then elected. In the event of a tie, a run-off vote shall be held. This applies accordingly to the election of the cash auditors.

- (8) It is voted by show of hands. On request of 1/5 of the present or represented members as well as with the election of the Presidium it is to be voted in writing and secretly.
- (9) The General Meeting of the Association shall be chaired by the Speaker of the Presidium or by a Chairperson to be elected by the General Meeting. The Executive Committee shall propose a secretary. The resolutions of the General Meeting are recorded in writing, which are signed by the chairman of the meeting and the secretary.

### **§ 6 Presidium (Executive Committee)**

- (1) The Presidium is the decision-making body in all matters of the Association, insofar as they are not reserved by law or statute to the General Assembly. It is responsible for steering the strategic development of the association. It appoints the members of the Executive Management and advises and monitors the Executive Management in the performance of its duties.
- (2) The term of office of the Presidium - with the exception of the Founding Presidium - shall be two years. The members of the Executive Committee shall remain in office until a new Executive Committee is elected. The members of the Executive Committee may be re-elected.
- (3) The Presidium consists of 8 natural persons.
- (4) The Presidium elects the Speaker of the Presidium from among its members; the 7 other members of the Presidium are Deputy Speakers. The spokesperson and the deputy spokespersons form the Board within the meaning of § 26 BGB (German Civil Code). The association shall be represented in and out of court by the spokesperson and one deputy spokesperson or by three deputy spokespersons.
- (5) Eligible for election are members and employees of member companies and organizations. Absent members can be elected if their declaration in writing is available at the General Meeting that they are prepared to accept their duties in the event of their election. Each member shall have the right to propose candidates for election to the Executive Committee.
- (6) The Executive committee shall appoint consulting board members for its term of office. Any member of the Presidium may make proposals. The Presidium may dismiss consulting board members. The consulting board members do not belong to the board in the sense of § 26 BGB.
- (7) Each member of the Presidium may at any time request information about all matters of the Association from the Executive Management and inform himself about them, in particular inspect and examine all documents.
- (8) The Presidium shall report annually at the ordinary General Meeting on its activities in the past financial year.
- (9) The Presidium meets at least four times a year. Meetings shall be convened by a representative of the Executive Management or by the spokesperson and one of the deputy spokespersons or by three deputy spokespersons with a notice period of two weeks. The Presidium shall constitute a quorum if it has been duly convened. At the meetings, the Presidium decides by a simple majority of the members present, unless otherwise agreed. In the event of a tie, the vote of the speaker shall be decisive. Members of the Presidium may be mutually represented at meetings.

- (10) The Presidium may also take decisions by written procedure or electronic means if all its members so agree.
- (11) The activity in the Presidium is honorary. Members of the Presidium shall be reimbursed, upon request, for the costs incurred in the course of their activities for the Association, upon presentation of the receipts in accordance with the Federal Travel Expenses Act.
- (12) A member of the Presidium shall leave if he/she declares his/her resignation or if he/she or the company/research institution to which he/she belongs declares his/her resignation from the Association. The same applies to exclusion from the association. In the event of a member leaving the Presidium, it may co-opt a new Presidium member for the remainder of the term of office only after a simple majority vote.

The Presidium or a Presidium member can be voted out. For this purpose, 75% of the voting rights present at a convened General Meeting are required.

- (13) The Presidium shall draw up its own rules of procedure for its work.
- (14) Members of the Presidium of the first term of office (Founding Presidium) are
- a) Members of the Founding Presidium, appointed by the supervisory board of CFK Valley e.V.:
    1. Prof. Dr. Dieter Meiners, Spokesman (Strategy, Internationalization [country-specific], Finance/Controlling, Politics)
    2. Prof. Dr. Axel Herrmann (Aerospace, Medicine)
    3. Holger Bär (Wind energy, Construction)
    4. Dr. Jens Walla (Shipbuilding, Transportation)
  - b) Members of the Founding Presidium, appointed by the Board of the Carbon Composites e.V.:
    1. Prof. Dr. Hubert Jäger, Speaker (Strategy, Internationalization [country-specific], National Marketing, Education, Sustainability, Politics)
    2. Prof. Dr. Klaus Drechsler (Automotive, Sports)
    3. Ralph Hufschmied (Mechanical Engineering, Ceramics)
    4. Dr. Lars Herbeck (New Business Development)

The members of the Founding Presidium are analogous to § 6 para. 1 the deciding body in all matters of the association and form the board in the sense of § 26 BGB. Prof. Dr. Jäger and Prof. Dr. Meiners are, in deviation from § 6 para. 4, two spokespersons, the other six members of the founding board are deputy spokespersons. During the term of office of the Founding Presidium, the association is represented in and out of court by the two spokespersons or by a spokesperson and one of the deputy spokespersons or by three deputy spokespersons of the Founding Presidium. Meetings shall be convened by a representative of the Executive Management, by the two spokespersons, by a spokesperson and one of the deputy spokespersons or by three deputy spokespersons with a notice period of two weeks. In the case of a tie vote, the representatives of the Executive Management shall arrange for the members of the association to vote by e-mail. Contrary to § 6 Para. 2, the term of office of the Founding Presidium shall be three years. The members of the Founding Presidium remain in office until a new Presidium is elected.

(15) The technical management of the association is divided between the locations Stade and Augsburg according to areas of application.

Augsburg:

- Automotive
- Mechanical Engineering
- Ceramics
- Sports
- Leisure Industry
- New Business Development

Stade:

- Aerospace
- Wind Power
- Construction
- Shipbuilding
- Transportation
- Medicine

### **§ 7 Overall Board**

- 1) The entire Overall Board is composed of the members of the Presidium and the persons appointed in accordance with § 6 Para. 6. The Overall Board has only an advisory function. It is not a legal representative within the meaning of § 26 BGB.
- 2) The Overall Board is invited by a member of the Presidium and a representative of the Executive Management, stating the time, place and agenda, to attend a meeting within two weeks in text form (e.g. letter or e-mail).

### **§ 8 Advisory Board**

- 1) The Presidium may appoint an Advisory Board to advise the Presidium on all scientific, technical, political and social issues affecting the purpose of the Association. The Advisory Board comprises up to 15 persons. The members of the Advisory Board are appointed by the Presidium for a term of two years. The Advisory Board shall consist of 5 representatives of politics, 2 representatives of applied sciences and 8 representatives of the member companies. The Advisory Board may elect a chairman from among its members.
- 2) The Advisory Board may adopt its own rules of procedure in consultation with the Presidium.

### **§ 9 Executive Management**

- 1) The management of the association is in the hands of one or more Chief Executive Officers (CEO).
- 2) Chief Executive Officers are appointed and dismissed by the Presidium.
- 3) The Presidium entrusts the Chief Executive Officers with the tasks of the operational management of the association and authorizes them accordingly.
- 4) CEO's are authorized by the Presidium to obtain the implementation of statutory requirements, member resolutions and Presidium resolutions by the employees of the Association.

- 5) CEO's can establish committees for their area of responsibility, which support them in achieving the purpose of the Association and in the operational management of the Association.
- 6) Chief Executive Officers are entitled to participate in the meetings of the Presidium and the Overall Board and to speak at the General Meeting.
- 7) The Executive Management shall adopt its own rules of procedure, which shall be decided by the Presidium.

### **§ 10 Technical and regional subdivisions**

- 1) The Presidium may establish and dissolve legally independent or dependent subdivisions with its own budget.
- 2) Departments may be formed by decision of the Presidium. Each department is headed by a head of department or a Division Executive Officer (DEO).
- 3) The departments adopt their own rules of procedure, which regulate in particular the convening and holding of department meetings, the election of the head of department or the DEO, the establishment of a department office and the formation of working groups. The respective rules of procedure and amendments to the rules of procedure must be approved by the Presidium.
- 4) The Presidium may grant the Head of Department or the DEO all necessary powers to carry out and achieve their objectives. The power of attorney must be granted in writing.
- 5) Departments can form their own brands under the umbrella brand of the association. Changes and additions to department-specific corporate designs, brands and logos must be approved by the Presidium.
- 6) The Presidium can delegate tasks of the departments to the Executive Management of the association if synergy effects are to be expected. However, the Executive Management of the association must consent to the transfer.
- 7) The dissolution of a department can be decided by the Presidium or by the departmental meeting according to its rules of procedure or by the General Meeting according to § 5 paragraph 7.
- 8) For the mutual exchange of experiences, the Executive Management can set up experience and working groups.
- 9) Further details are laid down in the rules of procedure of the Presidium, in particular with regard to bias in the case of dual functions.

### **§ 11 Annual financial statements/reserve**

- 1) The annual accounts of the Association shall be prepared by a tax consultant appointed by the Executive Management and shall be accompanied by a certificate.
- 2) A reserve of 500.000,-- € to 1.000.000,-- € is to be formed from membership fees; if this reserve is reached, the fees are to be adjusted in such a way that the association makes no profit.



## **§ 12 Cash audit**

- 1) The General Meeting elects two cash auditors from among its members for a period of two years. They remain in office until new auditors are elected.
- 2) The auditor's duties are,
  - to check invoice documents and their correct posting
  - to check that the funds of the association are used in accordance with the Articles of Association
  - to determine the cash balance at least once a year.

## **§ 13 Mediation**

In the case of conflicts within the association, a mediation procedure must first be carried out. The mediator is proposed by the Executive Management. The Mediator is proposed by the Presidium in the event of conflicts which also affect the Executive Management.

## **§ 14 Dissolution of the Association**

- 1) The dissolution of the association can only be decided by the General Meeting with a majority of at least 75% of the valid votes cast.  
  
Liquidators with joint power of representation shall then be elected by a simple majority.
- 2) In the event of dissolution, the assets of the Association shall be allocated to a non-profit body designated by the liquidators for use in applied research in composite fiber technology.

As of 18.01.2019