



Constitution
of
'Hydrogen Power Storage & Solutions East Germany e.V.'
23 January 2014

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Section 1
Name, head office and financial year

- (1) The name of the Association is ‘Hydrogen Power Storage & Solutions East Germany’. It is to be entered in the Register of Associations; following registration its name will be:

‘Hydrogen Power Storage & Solutions East Germany e.V.’¹

The Association may use the abbreviated name ‘HYPOS’.

- (2) The Association’s head office is in the city of Halle (Saale).
- (3) The Association’s financial year is the calendar year.

Section 2
Purpose of the Association

- (1) The purpose of the Association is to coordinate enterprises mainly operating in the energy sector, the chemical industry and plant construction in conjunction with universities and research institutes as well as trade associations and similar institutions working in research and development regarding the conversion and storage of electricity chiefly into hydrogen and promoting its economically viable and socially acceptable integration into the supply infrastructure and other related measures. To implement its objectives, the Association may retain third parties and/or set up private enterprises for this purpose or acquire shareholdings in them.
- (2) The Association is a non-profit making institution.
- (3) The Association’s funds may only be used for purposes complying with the Constitution. Members receive no individual payments from the Association’s funds. No members may benefit from expenditure which is alien to the purpose of the Association or – if they deliver individual services going beyond supporting the purpose of the Association – from disproportionate remuneration.

Section 3
Admission of new members

- (1) The Association may be joined by enterprises, universities, research institutes, trade associations and similar institutions as well as honorary members willing to directly or indirectly support the purpose of the Association as described in Section 2 of this Constitution.
- (2) If legally non-independent entities such as branches, departments, institutes etc. of a member wish to independently contribute to the implementation of the Association’s aims, the member concerned may be granted an additional vote pursuant to Section 11 for each of these organizational units etc. Members with additional voting rights are obliged to pay an additional membership fee per vote. If, according to the Scale of Membership Fees and Levies, membership fees are calculated based on a member’s turnover or annual budget, each membership fee is to be calculated based on the figures of the organizational unit qualifying for an additional vote.
- (3) Each written application for membership is decided by the Association’s Board according to its best judgement.

¹ Translator’s note: “e.V.” stands for ‘eingetragener Verein’ (‘registered association’).

Section 4
Resignation of members

- (1) A member may resign from the Association with effect from the end of any calendar year by tendering their resignation to the Board with at least nine months' notice. Resignation must be tendered in writing by means of a registered letter with acknowledgment of receipt.
- (2) The right of a member to immediately leave the Association for good cause remains unaffected by the above provision. Good cause includes (but is not restricted to) cases in which a member obliged to pay levies pursuant to Section 6(2) of this Constitution votes against a resolution regulating the amount of levies to be raised which is adopted by the General Meeting.

Section 5
Exclusion of members

- (1) A member can be excluded from the Association for good cause if they are guilty of acting contrary to the Association's interests.
- (2) Such good cause pursuant to Section 5(1) shall in particular be deemed to exist if a member acting with intent or gross negligence violates their obligations to the Association, if it becomes impossible for a member to discharge their obligations, or if a member fails to comply with their obligation to pay the annual membership fees and levies despite having been reminded on two occasions by the Association's Board. The exclusion of a member shall be decided by the General Meeting of the Association.

Section 6
Membership fees and levies

- (1) Members are charged annual membership fees. All members of the Association pay annual membership fees in accordance with the Scale of Membership Fees and Levies decided by the General Meeting. Membership fees and levies are to be paid by each member from their own funds.
- (2) The measures and projects to be carried out to promote and achieve the purpose of the Association are also financed by raising annual levies. This is regulated in more detail by the Scale of Membership Fees and Levies adopted by the General Meeting.
- (3) Members are entitled to voluntarily pay higher membership fees and levies.
- (4) Honorary members are exempt from membership fees and levies.
- (5) Whenever a member leaves the Association, annual membership fees or levies paid shall not be refunded, either in whole or in part. The provisions of Section 18(3) and Section 18(4) in conjunction with Section 6(3) remain unaffected.

Section 7
Organs of the Association

The organs of the Association are the Board and the General Meeting.

Section 8
The Board

- (1) The Association's Board consists of at least four and no more than nine members. It works on an honorary basis. The Board is elected by the General Meeting for a term of two years; however, it will remain in office after its term of office has expired until new elections have been held. Each member of the Board is to be elected individually unless the General Meeting decides to vote for the Board using a list-based ballot. Only natural persons who are employees of a member and honorary members of the Association can be voted onto the Board. The term of office of a Board member shall cease if the member with whom they are associated ceases to be a member of the Association. The same shall apply if the employee of a member voted onto the Board ceases to work for this member. If a member of the Board leaves prematurely, the Board may co-opt a successor for their remaining term of office. This successor must be confirmed by the next Ordinary General Meeting.
- (2) The Board elects a Chair as well as a First and Second Vice-Chair from among its members.
- (3) The Board has the position of legal representative and represents the Association both in and out of court. Two members of the Board may jointly represent the Association as long as at least one of them is the Chair or one of the Vice-Chairs.

Section 9
Responsibilities of the Board

- (1) The Board is responsible for all the affairs of the Association unless they are assigned by law or the Constitution to another organ or institution of the Association. In particular, the Board has the following tasks:
 - (a) The preparation and convening of General Meetings as well as drawing up the agenda
 - (b) The execution of resolutions adopted by the General Meeting
 - (c) Drawing up the budget for each financial year, bookkeeping, preparation of the annual accounts, and preparation of commercial and tax balance sheets
 - (d) Decisions regarding the admission of new members pursuant to Section 3(2)
 - (e) The right to table proposals concerning how themes relevant to the Association's value chain are to be dealt with and regarding the selection of concrete, site-based demonstration, pilot and investment projects not funded by the BMBF German Ministry of Education and Research
 - (f) The right to table proposals regarding applications for funding for individual and joint HYPOS projects under the BMBF funding initiative 'Twenty20 – Partnership for Innovation' and the coordination of reporting to the BMBF
 - (g) The appointment, delegation and removal of Advisory Board members in accordance with Section 14(2) who under the BMBF's funding guidelines may be determined by the organization concerned
 - (h) The appointment and removal of Working Party Heads and Thematic Heads covered by Section 15(3)
 - (i) Resolutions concerning rules governing the use of the Association's brand and logo by members to advertise themselves and their products
- (2) In all matters of special importance to the Association, the Board shall arrange for a vote to be taken by the General Meeting.

Section 10
Meetings and resolutions of the Board

- (1) The Board shall take decisions at meetings convened at two weeks' notice by the Chair, the First Vice-Chair if the Chair is indisposed, or the Second Vice-Chair if the First Vice-Chair is also indisposed. The agenda is to be sent with the invitation.
- (2) The Board is quorate if more than half its members are present. Resolutions shall be passed by a simple majority of the valid votes cast; in the event of a tie, the casting vote will be made by the Chair, the First Vice-Chair if the Chair is indisposed, or the Second Vice-Chair if the First Vice-Chair is also indisposed.
- (3) The Board may pass resolutions in written proceedings or by email if this voting procedure is unanimously agreed to by the members of the Board.
- (4) Meetings of the Board may be attended by non-voting guests.

Section 11
Responsibilities of the General Meeting and voting rights

- (1) Each member is entitled to vote at the General Meeting of the Association. Another member or any suitably qualified employee of a member may be authorized in writing to exercise voting rights on a member's behalf.
- (2) The General Meeting decides on the following matters by resolution:
 - (a) The approval of the budget drawn up and submitted by the Board pursuant to Section 9(1)(c) for the forthcoming financial year as well as any budget amendments; the approval of the annual accounts of the Board; the discharge of the Board
 - (b) Deciding the membership fees pursuant Section 6(1)
 - (c) Deciding levies pursuant to Section 6(2)
 - (d) Election and removal of members of the Board pursuant to Section 8(1)
 - (e) Amendments to the Constitution pursuant to Section 17
 - (f) Dissolution of the Association pursuant to Section 18
 - (g) Exclusion of members pursuant to Section 5
 - (h) Exercise of the Association's right to acquire shareholdings in private enterprises
 - (i) The appointment of special representatives as specified in Section 30 BGB German Civil Code to conduct certain legal transactions
 - (j) The nomination of honorary members
- (3) If a member requests additional voting rights pursuant to Section 3(3), sentence 1, this member can as a special privilege be granted additional voting rights by the Board for individual or multiple organizational units as specified in Section 3(3), sentence 1 comprising one vote for each organizational unit. A member whose voting rights have been increased in this way is entitled to delegate a representative to the General Meeting by means of written power of attorney for each additional vote.

Section 12
Convening the General Meeting

- (1) The General Assembly shall meet as required, but at least once per calendar year. It shall be convened subject to four weeks' notice (unless extraordinary circumstances dictate otherwise)

by letter or email together with the agenda. The period of notice shall begin on the day following the dispatch of the invitation. The invitation shall be deemed to have been received by a member if sent to the most recent address given in writing by the member concerned. The agenda is to be set by the Board.

- (2) Each member may apply in writing to the Board for the agenda to be augmented no later than one week before a General Meeting. The Meeting Chair as specified in Section 13(1) of this Constitution must announce additions to the agenda at the beginning of the General Meeting. Motions for additions and/or amendments to the agenda submitted at General Meetings are to be decided by a resolution of the General Meeting.
- (3) An Extraordinary General Assembly shall be convened by the Board if so required by the interests of the Association or if one tenth of the members entitled to vote submit a written request stating the purpose and reasons for the EGM.

Section 13 Resolutions of the General Meeting

- (1) General Meetings are chaired by the Chair of the Board, the First Vice-Chair if the Chair is indisposed, or the Second Vice-Chair if the First Vice-Chair is also indisposed (Meeting Chair).
- (2) If the General Meeting has not passed a resolution concerning how resolutions are to be voted on, the Meeting Chair shall decide the type of ballot. Voting must take place by written ballot if so requested by a third of the members entitled to vote who are present.
- (3) The General Assembly is always quorate if it has been properly convened regardless of how many members are actually present. This does not apply to resolutions as specified in Sections 13(5) and 13(6) below as well as Sections 17 and 18. For these resolutions, the General Meeting is only quorate if at least half the members (including those with additional voting rights) are present at the General Meeting. If a General Meeting is not quorate for these resolutions, another General Meeting must be convened for these resolutions. This General Meeting shall be quorate regardless of the number of members present, and this must be specified in the invitation.
- (4) Resolutions are normally adopted by the General Meeting by a simple majority of the valid votes cast.
- (5) A qualified majority of three quarters of the members present is required for the following resolutions of the General Meeting:
 - (a) Amendments to the Constitution pursuant to Sections 17, 11(2)e
 - (b) Decisions on the annual membership fees pursuant to Sections 6(1), 11(2)(b)
 - (c) Decisions on levies pursuant to Sections 6(1) and 6(2), 11(2)(c)
 - (d) The exclusion of members pursuant to Sections 5(2), 11(2)(g)
 - (e) The acquisition of shareholdings in private enterprises and the exercise of shareholder rights of the Association in connection with shareholdings pursuant to Section 11(2)(h)
- (6) Amendments to the aims of the Association can be carried by a three-quarters majority of the Association's members present. Subsequent budget increases contained in resolutions carried by the General Meeting pursuant to Section 11(2)(a) also require a three-quarters majority of the members present.
- (7) In elections, a person is deemed to have been elected if they receive more than half the valid votes cast. If no one has received more than half the valid votes cast, a runoff ballot is to be held

between the two candidates who received the most votes. The candidate who receives more votes than the other is elected. In the event of a tie, the Meeting Chair will draw lots to decide.

- (8) Resolutions passed by the General Meeting must be recorded and signed by the Meeting Chair and the Minute Keeper (who is to be appointed at the start of each General Meeting by the Meeting Chair). Each member of the Association is to receive a copy of the minutes. The Meeting Chair shall be responsible for storing the original minutes.

Section 14

Collaboration with external bodies

- (1) In connection with its funding initiative 'Zwanzig20 – Partnerschaft für Innovation' ('Partnership for Innovation'), the German Federal Ministry of Research and Education (BMBF) has set up an Advisory Board. Acting in accordance with the BMBF's funding guidelines, the Advisory Board assesses each individual project submitted by the HYPOS Consortium regarding its eligibility for funding and recommends that funding be granted to the Lead Partner appointed by the BMBF. The Board may by internal resolution select and submit proposals to the Advisory Board for evaluation. As the HYPOS Consortium's goals are implemented, the Advisory Board evaluates project progress and recommends any measures necessary. To support its work, the Advisory Board may request reports and statements from the Board. The BMBF is responsible for finalizing the Advisory Board's thematic and structural orientation as well as its remit.
- (2) The members to be delegated to the Advisory Board by the HYPOS Consortium (on the basis of the Association's conceptual strategy dated 3 April 2013) are proposed by the Board in accordance with Section 9(1)(g).

Section 15

Working Parties

- (1) Working Parties are set up to achieve the Association's aims regarding the individual themes along the Association's value chain. Participation in at least one of these Working Parties is mandatory for each member. Projects are developed within the Working Parties which are intended to contribute to supporting the Association's aims in the interests of the Association. The content of these activities is to be described in the form of projects.
- (2) The results achieved by the Working Parties and in particular the projects developed by them are to be submitted to the Board for evaluation and discussion regarding the implementation of the projects concerned.
- (3) The formation and dissolution of a Working Party are decided by the Board. The heads of the Working Parties ('Thematic Heads') are appointed by the Board for a period of two years. They may be dismissed by the Board at any time without stating reasons.

Section 16

Agency

The organization of the Association and the execution of the measures necessary to achieve the Association's aims can be entrusted to a third party tasked with conducting the Association's business affairs in compliance with this Constitution, the resolutions of the General Meeting and the instructions of the Board. The Association may authorize this third party to take all action required by

the ordinary course of business and which is not of fundamental importance to the Association or its members.

Section 17
Amendments to the Constitution

Amendments to the Constitution can be adopted by the General Meeting with a three-quarters majority of the Association's members present but will only come into effect once they have been entered in the Register of Associations.

Section 18
Dissolution of the Association

- (1) The Association can only be dissolved with a resolution passed by the General Meeting with a three-quarters majority of the Association's members present.
- (2) Unless decided otherwise by the General Meeting, the Chair and the First Vice-Chair shall act as jointly authorized liquidators.
- (3) Assets remaining after liquidation are to be donated by the liquidators to a non-commercial institution which conducts research related to the purpose of the Association.
- (4) The above provisions shall apply mutatis mutandis if the Association is dissolved for any other reason or loses its legal capacity.