

Articles of Association of the FVV

(Association to promote research in the field of the construction and use of combustion engines and their technical accessories)

In accordance with the resolutions of the members dated 16.10.1956, 31.05.1960, 21.04.1961, 13.05.1969, 08.07.1970, 17.09.1976, 28.05.1986, 19.05.1988, 14.05.1991, 17.05.1995 and 25.09.2003.

§1 Name and registered office and principal place of business

The association bears the name

„Forschungsvereinigung Verbrennungskraftmaschinen e.V.“
(Research Association for Combustion Engines)

It has its registered office and principal place of business in Frankfurt am Main and is there entered on the Register of Associations.

§2 Purpose

The purpose of the association is to promote scientific research in the field of combustion engines and their technical accessories as well as to create all the pre-conditions necessary for this purpose in the relevant fields. To this purpose, research tasks are to be jointly prepared and carried out. The results of these research tasks are made accessible to the general public through publication.

The association exclusively and directly pursues public-benefit purposes objectives within the meaning of the section "Tax-privileged purposes" of the German Fiscal Code dated 1977.

The association acts selflessly; it does not primarily pursue economic purposes of its own.

Funds of the association may only be used for the public-benefit purposes that accord with the Articles of Association of the association. No person may be favoured by expenditure foreign to the purposes of the corporation or by exceptionally high remuneration.

§3 Business year

The business year is the calendar year.

§4 Membership

The association consists of ordinary and extraordinary members.

Manufacturers of combustion engines or of technical accessories for combustion engines as well as service enterprises that work predominantly in the field of combustion engines whose registered office and principal place of business and production and/or whose registered office and principal place of business in the case of service enterprises lie in the Federal Republic of Germany may become ordinary members.

Bodies corporate and natural persons, associations of such persons as well as scientific institutes that have an interest in the promotion of the construction and development of combustion engines and their technical accessories and that do not fulfil the pre-conditions for acquiring ordinary membership may become extraordinary members.

§5 Acquisition and loss of membership

Membership is voluntary.

Ordinary and extraordinary members are admitted on the basis of written applications through a resolution of the Executive Committee; in special cases the Executive Committee may, after having examined an application for membership, submit same together with a report to the Meeting of the Members for them to pass a corresponding resolution.

Membership is terminated:

- through termination with effect from the end of a business year by observing a period of notice of three months; the declaration of withdrawal from the association must be submitted in writing and by registered post.
- without notice of termination through death, deregistration of the company or the opening of bankruptcy proceedings.
- through exclusion; such an exclusion can be effected by a resolution of the Executive Committee if a member fails to meet the obligations entered into through joining the association despite having been called upon to do so or if he has acted contrary to the interests of the association. To avert such an exclusion, the member has the right of appeal to the Meeting of the Members, whose decision is final.

All claims vis-à-vis the association lapse together with the end of the membership, these claims relating both to any share in the research results that have been gained as well as to any claims of a financial nature.

§6 Rights and duties of the members

Ordinary members are entitled to use the facilities of the association, to request information from the field of experience of the association and to submit proposals for the initiation, supplementation or extension as well as the restriction of research tasks. They have the right to regularly receive the circular letters and the research reports free of charge. At meetings of the members, each ordinary member has one vote.

The extraordinary members are entitled to collaborate in individual research projects by means of competent representatives who are appointed by the Advisory Board to committees which the latter has set up (§11), and on request the extraordinary members are entitled to be informed about the results of individual projects. They may participate in meetings of the members in an advisory capacity.

All members are obliged to pay annual membership fees. The amount of these annual membership fees is determined by the Meeting of the Members in Membership Fee Regulations.

The funds raised through the membership fees of the members and the state subsidies are to serve exclusively to carry out the research projects of the association. Their use for administrative tasks is to be kept to the necessary minimum.

§7 Executive bodies of the association

The executive bodies of the association are:

- the Executive Committee
- the Advisory Board
- the Meeting of the Members.

§8 The Executive Committee

The Executive Committee consists of max. 20 persons who are elected at the Meeting of the Members for a period of 2 years as well as in addition the current chairman of the Advisory Board. In each case the Meeting of the Members decides the effective number of the Executive Committee members after a proposal has been submitted by the Executive Committee. The Executive Committee conducts the



business of the association until a new election is held; reelection is permissible.

The Executive Committee chooses a chairman and a deputy from its own ranks.

The Managing Executive within the meaning of § 26 German Civil Code (BGB) is the chairman and his deputy. Each of these is authorised to represent the association alone.

The members of the Executive Committee act in an honorary capacity.

The Executive Committee runs the association and ensures the fulfilment of its tasks. It is bound to the resolutions of the Meeting of the Members but is free in its decisions within the framework of these. It is entitled to execute financial transactions within the framework of the budget.

The Executive Committee decides on:

- the admission and exclusion of members;
- drafting of the budget and the annual statement of accounts, which must be approved by the Meeting of the Members;
- appointing the Management and the scientific employees;
- the execution and financing of research tasks on the basis of the proposals of the Advisory Board;
- matters that are especially referred to it by the Meeting of the Members.

The Executive Committee decides by a simple majority of the members of the Executive Committee who are present. The Executive Committee can vote in the form of a written ballot if all members of the Executive Committee agree to this.

§9 Advisory Board

Each ordinary member has the right to delegate a representative to the Advisory Board. This representative must hold a leading position in the research and development sector within his company in the field of combustion engines.

The Advisory Board has the task of developing research projects and of making proposals with regard to their execution including their financing, which are then to be approved by the Executive Committee. It monitors execution of the research tasks. It can appoint committees (working committees) and determine their fields of activity, insofar this appears to it to be useful and necessary.

The Advisory Board elects a chairman and a deputy from its own ranks for a period of three years. The meetings of the Advisory Board are conducted by its chairman, or if he is prevented from so doing, by his deputy.

The members of the Advisory Board act in an honorary capacity.

§ 10 Meeting of the Members

The general Meeting of the Members must be convened by the Executive Committee at least once a year. The invitation to this Meeting of the Members must contain the complete agenda and must be posted at least two weeks before the date of the meeting.

Extraordinary meetings of the members can be convened in the same way if the Executive Committee considers this to be necessary or at least the half of all the members make a corresponding application.

The members can have themselves represented by a proxy with a written power of attorney, in which case one proxy can exercise the voting rights for no more than five votes.

The Meeting of the Members decides on:

- the approval of the report on the past business year;
- acceptance of the accounting for the past business year;
- the accounting planning for the current business year as well as the granting of discharge to the members of the Executive Committee and to the management;
- the amount and due date for payment of the membership fees for ordinary and extraordinary members according to Membership Fee Regulations that are to be separately resolved by the meeting;
- any appeal against the exclusion of a member;
- the admission of new members insofar as the decision is submitted by the Executive Committee;
- amendments to the Articles of Association as well as the dissolution of the association.

The Meeting of the Members is conducted by the chairman of the Executive Committee or his deputy.

The Meeting of the Members forms a quorum if it has been properly convened and two thirds of the members who are entitled to vote are represented. If the meeting fails to form a quorum, the Meeting of the Members that is again convened within a short time with the same agenda shall then form a quorum irrespective of the number of members present, if this was especially pointed out in the invitation.

The Meeting of the Members passes its resolutions by a simple majority of the votes of the members present.

§ 11 Committees

Collaboration in the committees set up by the Advisory Board is on an honorary basis and must be performed by the member personally. The field of duties and the manner of working of the committees are determined by the Advisory Board.

§12 Written records

Written records must be kept of all meetings of the Executive Committee, of the Advisory Board, of the Meeting of the Members and of the committees and these are to be signed by the person conducting the relevant meeting and by the Management.

§13 Management

The Executive Committee appoints the Management, who must conduct the affairs of the association in accordance with the Articles of Association as well as in accordance with the resolutions of the executive bodies, as well as a Deputy Management if necessary. The Management is bound by the instructions of the Executive Committee and is responsible for implementation of the resolutions passed by the Meeting of the Members.

The Management must recruit the necessary personnel; technical-scientific assistants are to be proposed to the Executive Committee for engagement.

§14 Amendments to the Articles of Association, dissolution

Resolutions regarding amendments to the Articles of Association as well as regarding the dissolution of the association require a two thirds majority of the votes cast at the Meeting of the Members. If the association is dissolved or if the purpose for which it was set up becomes void, the assets of the association shall accrue to the Deutsche Forschungsgemeinschaft in Bad Godesberg for the purposes of promoting applied research. No assets or asset items may on any account be transferred to members of the association.

Last updated 25th September 2003

