

**Articles of Association
of the
T. u. H. Hoene Foundation**

Preamble:

Thomas and Hildegard Hoene support young people at home and abroad with the aim of enabling them, despite difficult living conditions, to make the best possible use of their mental and physical talents through education and training, in order to be able to create a satisfying life for themselves and their fellow human beings in social responsibility and in accordance with humanitarian principles. They want to continue this commitment in the future within the framework of a charitable foundation.

§ 1

Name, legal form, registered office, financial year

- (1) The foundation bears the name T. u. H. Hoene Stiftung.
- (2) It is a foundation with legal capacity under civil law.
- (3) Its seat is in Leonberg-Warmbronn.
- (4) The business year is the calendar year.

§ 2

Purpose and tasks of the foundation

- (1) The purpose of the foundation is,
 - a) the promotion of youth welfare and care for the elderly (§ 52 (2) No. 4 of the German Tax Code) and

b) the promotion of education, adult education and vocational training, including student assistance (§ 52 (2) No. 7 of the Tax Code).

In pursuit of the foundation's purpose, especially needy children, adolescents, and young adults in training at home and abroad shall be supported in the development of their mental and physical talents through educational and training measures.

(2) The purpose of the foundation will be realized in particular by

a) Granting of direct one-off or recurring financial contributions (e.g. scholarships) to the persons to be supported or their legal guardians on the condition that these contributions are to be used for education and training measures or ensure the necessary subsistence for the duration of such measures,

b) Support of corporations or other institutions that promote and pursue the foundation's purpose in whole or in part, in compliance with the provisions on tax benefits pursuant to § 58 of the German Fiscal Code.

(3) The purpose of the foundation is also the procurement and transfer of funds within the meaning of § 58 No. 1 AO to promote the aforementioned purposes.

(4) The foundation fulfils its tasks itself or through auxiliary persons in the sense of § 57 para. 1 p. 2 AO. In order to realize the foundation's purpose, it may maintain special-purpose operations or assume the sponsorship for foundations without legal capacity that pursue similar purposes, as well as provide services for other foundations with legal capacity against reimbursement of costs.

§ 3

Non-profit status

(1) The Foundation pursues exclusively and directly charitable purposes in the sense of the section "tax-privileged purposes" of the German Tax Code.

(2) The foundation acts selflessly. It does not pursue any economic purposes of its own. It may not benefit anybody by expenses which are not covered by the purpose of the foundation or by disproportionately high remunerations.

(3) The income from the assets of the Foundation and donations must be used promptly and exclusively for the purposes of the Foundation in accordance with its statutes.

(4) Reserves may be set up, as far as the regulations of the tax law on non-profit organizations allow this. The Board of Directors may allocate free reserves to the assets of the Foundation within the framework of the tax regulations.

- (5) The Board of Trustees decides on the allocation of the Foundation's funds at its dutiful discretion in consultation with the Board of Trustees. There is no legal claim to benefits from the foundation. Recipients of Foundation benefits shall account for their use.

§ 4

Foundation assets, endowments, donations

- (1) At the time of the foundation's formation, the foundation assets consist of the initial endowment as defined in the foundation business.
- (2) The assets of the foundation are to be maintained undiminished in their value and invested with sufficient security and yield. Asset regroupings are permissible. The administration costs of the foundation are to be paid from the income.
- (3) The Foundation may accept endowments and donations. It is not obliged to do so. Sub-foundations increase the assets of the foundation. Donations must be used promptly. If the nature of the donation is not clearly defined, the Board of Directors will decide on it at its dutiful discretion. Inheritances and legacies are considered as endowment, unless the testator expressly determines otherwise.

§ 5

Foundation organization

- (1) The organs of the foundation are
 - a) the Board of Directors and
 - b) the Board of Trustees.
- (2) The Board of Trustees may set up bodies to support it, such as working groups, committees or advisory boards.
- (3) The Foundation may employ auxiliary persons to carry out its tasks, either free

of charge or against payment, or transfer the execution of these tasks in whole or in part to third parties.

- (4) The Foundation may establish a management. In this case, the Executive Board shall define in the Rules of Procedure the extent to which it delegates tasks and shall grant the necessary powers of attorney. The management has the position of a special representative in the sense of § 30 BGB.
- (5) Each body of the Foundation may adopt rules of procedure for itself, in which in particular
 - a) Convening,
 - b) Periods and forms of loading,
 - c) Voting modalities,
 - d) Rights of third parties to participate in meetings,
 - e) Minutes of meetings.
- (6) The members of the organs are only liable for intent and gross negligence.

§ 6

Board of Directors

- (1) The Executive Board shall consist of at least one to three persons. The Board of Directors is elected by the Board of Trustees. The Board of Trustees also determines the number of Board members. The first board of directors consists of one person, namely Mr. Thomas Hoene. If members of the Board of Trustees are appointed to the Board of Directors, they resign from the Board of Trustees.
- (2) The term of office of the Board of Directors is five years. After their term of office has expired, the members of the Board of Directors remain in office until their successors have been elected.
- (3) Members of the Board of Directors may be dismissed by the Board of Trustees at any time, but only for good cause, with a majority of 2/3 of the voting rights present or represented. Before the corresponding vote, the affected member of the Board of Directors has the right to be heard.
- (4) The Board of Directors represents the Foundation in and out of court; it is the legal representative. The Foundation shall be jointly represented by two members of the Executive Board. A sole power of representation and exemption from the restrictions of § 181 BGB can be granted by the foundation board. Thomas Hoene is authorized to represent the foundation individually as a member of the board of directors.
- (5) The Executive Board is obliged to keep accounts of the assets and their income and expenditure, to prepare an economic plan before the beginning of each fiscal year and an annual financial statement after the end of the fiscal year and to submit it to the Board of Trustees for examination and approval. Separate

accounts must be kept for foundations with no legal capacity which are managed as special assets.

- (6) The Executive Board shall manage the foundation. Within the framework of the foundation's purpose, it determines the concrete goals, priorities and the concept of project work. It ensures that the resolutions of the Board of Trustees are implemented and that the assets of the Foundation are properly managed. He reports to the Board of Trustees on the course of business and the activities of the Foundation. It submits an activity report on a regular basis, at least once a year, by 30 June of the following year at the latest.
- (7) The members of the Executive Board are entitled to attend the meetings of the Board of Trustees without voting rights. This does not apply if, in individual cases, they are being discussed personally.
- (8) Members of the Executive Board may simultaneously work full-time for the Foundation. The decision on this and, if applicable, on the amount of remuneration is the responsibility of the Board of Trustees. The principle of thriftiness must be observed. Insofar as the members of the Board of Directors work on a voluntary basis, they are entitled to reimbursement of reasonable expenses. A lump sum can be fixed for this purpose.

§ 7

Board of Trustees

- (1) The Board of Trustees consists of at least three and at most nine persons. The first foundation board is determined by the founders with the foundation business. It consists of five persons. All subsequent members of the Board of Trustees complement each other through co-optation.
- (2) The term of office of the member of the foundation board is ten years. Re-election is possible.
- (3) Should the minimum number of members be undercut with the retirement of a member, the retiring member remains in office after the expiry of his term of office until a successor is appointed.
- (4) The board of foundation elects a chairman and his deputy.
- (5) Meetings of the Board of Trustees are to be held as often as the interests of the Foundation require, but at least once a year or if a member of the Board of Trustees requests that a meeting be convened. Meetings shall be convened in writing by the Chairperson(s), giving two weeks' notice. In justified cases of urgency, the notice period may also be shortened.
- (6) The Board of Trustees has a quorum if at least half of its members are present or - in the case of paragraph (9) - participate in the passing of resolutions. The

members of the Board of Trustees may represent each other by appropriate power of attorney.

- (7) Resolutions of the Board of Trustees are passed by a simple majority of the votes cast, unless a larger majority is required by these Statutes or by law. For the resolutions according to § 8 (amendment of the statutes) the majorities specified there are required. Each member of the Board of Trustees has one vote. In the event of a tie, the vote of the chairperson shall be decisive.
- (8) Decisions of the Board of Trustees must be recorded in writing and signed by at least two of its members. Members who are not present must be informed in writing of the resolutions adopted.
- (9) By order of the Chairperson of the Board of Trustees, resolutions may also be passed by means of a written survey, a survey by e-mail or a telephone survey if no member of the Board of Trustees objects. If a written poll or a vote by e-mail is conducted, the invitation to vote to be sent by the Chairperson to the other members of the Board of Trustees shall specify a reasonable period of time for the vote or the statement of objection. Members of the Board of Trustees who do not cast their votes within the time limit or who do not object to the resolution within the time limit cannot participate in the resolution or their objection remains unnoticed. This circumstance must be pointed out in the invitation. The result of the vote must be communicated in writing to all members of the Board of Trustees.
- (10) The Board of Trustees is responsible in particular for
 - a) the election of the executive committee,
 - b) the examination of the economic plan for the respective financial year as well as the annual financial statement and the activity report of the board of directors,
 - c) the approval of transactions by which liabilities to the detriment of the Foundation of in individual cases more than € 10,000.00 (in words: Euro ten thousand) are established.
- (11) The Board of Trustees is entitled to call in a sworn auditor or auditing company of its choice to perform its duties.

§ 8

Amendment of the Articles of Association

- (1) Amendments to the statutes require a joint resolution of the Executive Board and the Board of Trustees to be passed by a 2/3 majority of the members of the Executive Board and the Board of Trustees present.
- (2) The non-profit status of the Foundation may not be impaired by an amendment to the statutes. The change of the purposes is only permissible if the circumstances have changed in such a way that the realization of the purpose in the form intended by the founding founders is no longer possible in the long

term. The original intention of the founders is to be taken into account as far as possible.

§ 9

Dissolution of the foundation/merger

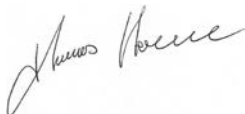
- (1) The Board of Directors and the Board of Trustees, together with a majority of $\frac{3}{4}$ of all its members, may decide to dissolve the Foundation or to merge with one or more other tax-privileged foundations, if the circumstances no longer allow the Foundation's purpose to be permanently and sustainably fulfilled and also if the sustainable fulfilment of a Foundation's purpose, modified or new in accordance with § 8, cannot be considered. The new foundation resulting from the merger must also be tax privileged.
- (2) If the Foundation is dissolved or if the tax-privileged purposes cease to apply, the assets will be transferred to the Citizens' Foundation Warmbronn, alternatively to the City of Leonberg. The Civic Foundation Warmbronn or the City of Leonberg must use the assets directly and exclusively for charitable purposes in the sense of the foundation's purpose according to § 2 of these statutes.

§ 10

Supervision of foundations, entry into force

- (1) The Foundation is subject to state supervision in accordance with the applicable law. Resolutions on amendments to the statutes and purpose as well as on the dissolution or amalgamation of the Foundation require the approval of the Foundation authorities. The tax authorities must be notified of the resolutions; in the case of changes of purpose, information from the tax authorities on tax concessions must be obtained.
- (2) The Foundation acquires its legal capacity through its recognition. The statutes come into force with this recognition.
- (3) The foundation's authority is the Regional Council of Stuttgart.

Leonberg-Warmbronn, den 03. Februar 2020



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Thomas Hoene