

The following text is a rough translation of the regulations, statutes and articles of “Hillside Europe e.V.”. It is neither intended to stand up to a thorough inspection by legal standards nor is it guaranteed to be exact in every respect; rather, its intent is to convey an idea of how “Hillside Europe e.V.” is constituted.

## Regulations, Statutes and Articles of “Hillside Europe e.V.”

### §1 Name and location of the association

The association is to be entered into the Register of Associations and will then be called “Hillside Europe e.V.”. The headquarters of Hillside Europe e.V. are located in Munich, Germany.

Business will coincide with calendar years. The first business year ends on 31<sup>st</sup> December of the year of foundation.

### §2 Purpose of the association

1. The object of Hillside Europe is to advance science and research as well as learning and education. Expert knowledge in the area of software development is to be collected, reviewed, assessed, published internationally, and promoted from the points of view of engineering, pedagogy and other relevant sciences. A particular focus is to be on expert knowledge about practice-proven techniques for analysis, architecture and programming of software systems as well as for the formation of organizational and team structures for software development. Further support is to be extended towards increasing the sensitivity of software developers regarding the social effects of their work. Support will be extended by means of various measures and activities that are suitable for
  - a) elaborating and publishing scientific fundamentals in all related disciplines regarding the supported topics and their content with the goal of using them for teaching, instructing, training and research,
  - b) linking other sciences that are related to the supported topics systematically and to support teaching, instructing, training and research of the supported topics,
  - c) planning, developing, setting up, organizing, realizing and maintaining institutions and support structures for the support of the above mentioned topics as well as teaching, instruction, training and research regarding them,
  - d) supporting the next generation of academic researchers working on the supported topics so that the scientific level that is striven for will be attained,
  - e) contributing to the development of a society that is humane, democratic and just taking into consideration freedom of science and social responsibility, and striving for a balance between long-term ecological, social and economic developments.
2. In order to realize its goals the association will cooperate with regional, national and international institutions, organizations and facilities from academe and research as well as from the industry. The scope and form of this cooperation will reflect the interests and needs of all participating parties equally. Furthermore the association intends to help motivate people for a life-long process of learning. The association will choose its measures to support the meeting of different cultures and to serve the understanding among nations.
3. The association solely and directly pursues charitable aims as laid down in section “Tax Favored Aims” of the tax law.
4. The association is not committed either politically, religiously or denominationally.

### §3 Finances

1. The association operates on a non-profit basis; it does not primarily work for its own profit.
2. The association's money may only be used for the purposes stated in these statutes; the members of the association will not be given money from the association's funds because of their membership.
3. No person may be privileged either through expenditures that are alien to the association's purpose or through disproportionately high recompensation.
4. Neither when members leave the association nor if the association is terminated will members be given any part of the association's means.
5. The association is permitted to act in a commercial way if these actions all in all serve the association's goals and these goals can only be reached through commercial action. The association must take care that its commercial pursuits do not compete with other businesses of the same or like kind that are not favored by the law more than is unavoidable to attain these statutes' purposes.
6. The association may accumulate reserves with part or all of its resources according to § 58, section 6 AO (tax law) if this is necessary to reach its tax-privileged goals as put down in these statutes in the long run.
7. Money may be accumulated according to § 58 section 7(a) AO (tax law).
8. § 181 BGB will not be applied. (*I.e. a representative of the association can represent the association in a contract with him- or herself.*)

### §4 Membership

1. Any person or legal entity that supports the association's goals and acknowledges these statutes can become a member.
2. The application for membership must be made in writing; it is decided on by the executive committee. Their decision can be objected against to the general meeting. The objection must be made in writing to the executive committee within one month after receipt of the executive committee's decision. The next general meeting will decide about the objection by vote; a simple majority will decide.
3. Every member has the obligation to pay membership dues. The amount of the membership dues will be decided on by the general meeting in a Decree of Dues. Delayed payment of dues will be deemed a breach of duty as stated in § 4 section 6 sentence 1. The Decree of Dues can demand higher dues for legal entities; it can contain the possibility of reduction in suitable cases and contain regulations concerning the mode of payment.
4. Membership ends with the death of a person, by the dissolution or liquidation of a legal entity, by withdrawal or by expulsion.
5. Withdrawal from the association must be declared in writing to the executive committee. It becomes effective immediately unless a different period is stated. Dues already paid will not be reimbursed.
6. A member can be expelled from the association by a decision of the executive committee if he or she grossly acted against the association's interest; the member must be given an opportunity to make a statement or justify himself or herself before the decision is made. The member can appeal against the decision in a way analogous to the one described in § 4 section 2. For the duration of the appeal the member's right to vote will be suspended as stated in § 6 section 2 sentence 2. Expulsion does not cancel a member's debt of dues.
7. Members will be liable for financial and other obligations of the association only through the association's means and their outstanding dues.

## §5 Organs of the association

The organs of the association are the general meeting, the executive committee and the Scientific Advisory Board.

## §6 The general meeting

1. The general meeting is the highest organ of the association. As a rule it convenes once every year and decides on an agenda. The general meeting decides all concerns of the association as laid down in these statutes.
2. All members of the association have equal rights to attend the general meeting, to speak and to propose a motion at the general meeting. Every member has one vote, the right to vote cannot be transferred. A representative voting for a legal entity must prove that she is authorized to do so by showing appropriate documents.
3. The general meeting is called by the executive committee at least four weeks in advance, giving a provisional agenda; the four week period begins on the first day after the invitation is posted and is presumed to have reached its addressee if it is sent to the most recent address that the association was notified of in writing.
4. An extraordinary general meeting must be called by the executive committee if either the majority of the executive committee's members decide to do so or if a quarter of the members of the association demand it in writing and giving reasons. The extraordinary general meeting is called by the executive committee in adequate temporal proximity to the request. The members are to be notified at least four weeks in advance and given a provisional agenda.
5. Every general meeting that is called in accordance with these statutes is quorate regardless of the number of attending members.
6. The duties of the general meeting include
  - a) deciding on an agenda,
  - b) deciding important questions regarding the association's activities,
  - c) electing an executive committee in accordance with these statutes,
  - d) electing the members of the Scientific Advisory Board,
  - e) deciding on the regulation of membership dues,
  - f) receiving the statements of accountability,
  - g) deciding on changes of these statutes,
  - h) deciding on the dissolution of the association.
7. The general meeting decides with a simple majority of votes unless otherwise stated in these statutes. Abstentions from voting count as valid votes.
8. A decision to change these statutes requires a 75 percent vote. The financial authorities must be notified of any change of these statutes concerning the purposes of the association or its finances.
9. Minutes must be taken down of every general meeting and its decisions. They must be signed by the meeting's chairperson of the meeting and the recording secretary.
10. General meetings are not open to the public. The members of the general meeting can decide to admit the public or specific guests to a meeting.

## §7 The Executive Committee

1. The executive committee consists of the chairperson, the deputy chairperson and the treasurer. They are elected by the general meeting for the duration of two years, with a simple majority. A reelection is permitted.
2. It is permissible for the executive committee to be elected as a whole from a list unless the general meeting decides to vote separately for each position.
3. The executive committee decide on their rules of procedures. These must be laid down in writing.

4. The executive committee represents the association both in and out of court. Each member of the executive committee represents (on his or her own) the association in accordance with § 26 BGB.
5. The executive committee conducts the business of the association. Their duties include
  - a) the liability to render account, to keep record and to keep accounts as required by law,
  - b) preparing – the organization and the content – , calling and conducting general meetings,
  - c) supporting the Scientific Advisory Board organizationally,
  - d) executing decisions of a general meeting.
6. The executive committee can commit attending to the current business to an executive secretary or to another person accordant with § 30 BGB. §§ 664 to 670 BGB are applicable analogously.
7. Every member of the executive committee can be superceded by a successor, who has been elected by a 75 percent vote of the general meeting that was called to this purpose.
8. If a member of the executive committee leaves prematurely, the executive committee must be supplemented in the next general meeting. Until this meeting takes place the executive committee can supplement themselves as an interim possibility. The executive committee's rules of procedure must regulate this; such a regulation can replace the rules of § 7 section 4 for a maximum duration of twelve months by making one member of the executive committee sole representative in accordance with § 26 BGB.

#### §8 Scientific Advisory Board

1. A Scientific Advisory Board is appointed in order to assess scientific accomplishments and to advise the general meeting and the executive committee in fundamental professional and interdisciplinary questions regarding scientific activities and national and international cooperations. Their duties include
  - a) advising and supporting the medium and long term planning of activities as stated in § 2 of these statutes,
  - b) periodically assessing the scientific accomplishments of the association, discussing these with the executive committee and the assessed projects,
  - c) reporting to the general meeting.
2. The Scientific Advisory Board consists of independent and reputable scientists who are actively engaged in scientific work, other experts, and the executive committee.
3. The Scientific Advisory Board decide on their rules of procedures, specifically deciding on a modus operandi suitable for performing their tasks.
4. The members of the Scientific Advisory Board are proposed by the executive committee and elected by the general meeting with a simple majority. The election into the Scientific Advisory Board is valid for an unlimited period of time unless the elected person steps down or the general meeting excludes the person with a simple majority.

#### §9 Dissolution of the association

1. The association can only be dissolved by a general meeting that is specifically called for this purpose. A majority in a 75 percent vote is needed in order to dissolve the association.
2. The executive committee liquidates the association; the regulations of §7 apply.
3. If the association is dissolved or the association's tax privileged purposes cease to exist the entire property goes to Hermann-Gmeiner-Fonds Deutschland e.V.,

Menzinger Str. 23, 80638 Munich, Germany, who has to use it solely and directly for charitable aims as laid down in section “Tax Favored Aims” of the tax law. Decisions on the property’s use may only be made after the German tax authorities have approved.

§10 Final regulations

1. All time periods mentioned in these statutes are determined as stated in §§ 187-193 BGB.
2. These statutes will become effective upon acceptance of the constituting meeting.