



Fraunhofer

STATUTE OF THE FRAUNHOFER-GESELLSCHAFT

§ 1 PURPOSE AND DUTIES

- 1 The purpose of the Fraunhofer-Gesellschaft is to promote activities in applied research. In this context, it conducts independent research projects, carries out projects conferred on it by the German federal and *Länder* governments, and performs contract research.

- 2 The purpose of the Statute is fulfilled by the following tasks in particular:
 1. set up and maintain research institutes and similar establishments;
 2. work toward the translation of scientific findings into practical applications and unite the forces of applied research and industrial practice;
 3. provide facilities for work on scientific papers and their utilization in applied research;
 4. collaborate with other research organizations in the fulfillment of its duties under the Statute;
 5. promote training and development in technical and scientific fields through the establishment and operation of training and development facilities and the implementation of projects (e.g. teaching courses, seminars, new media) to spread the knowledge of innovative professional methods.

§ 2 NAME, REGISTERED ADDRESS, LEGAL STATUS AS NON-PROFIT ORGANIZATION, AND FISCAL YEAR

- 1 The Organization shall bear the name
"Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e.V."
- 2 The registered address of the Organization is Munich.
- 3 The Organization is listed in the official register of non-profit organizations.
- 4 The objectives pursued by the Organization are exclusively and directly classified as "non-profit" under the terms of the relevant German tax legislation. The Organization's resources may not be used for any other purpose than that prescribed in the Statute. Members shall not receive any payments from the funds of the corporate body; this does not apply to the provisions of §24, section 8.
- 5 The Organization's activities are of a socially beneficial nature; its primary function is not that of earning profits for its own benefit.
- 6 No individual shall receive preferential treatment in the form of expenditure of a nature that does not comply with the purpose of the Organization, nor in the form of excessively high remuneration.
- 7 The fiscal year is the calendar year.

§ 3 MEMBERSHIP

The Organization's membership is made up of:

1. ordinary members
2. official members
3. honorary members

§ 4 ORDINARY MEMBERSHIP

- 1 Ordinary membership is open to natural persons and legal entities, including associations and societies without legal form, who wish to support the work of the Organization.
- 2 Applications for membership shall be submitted to the President. The application shall state the name of the person designated to represent the Organization; the Organization shall be informed of any subsequent change of representation. Acceptance of applications shall be decided by the Senate.
- 3 Membership fees shall be established in accordance with a schedule of fees approved by the General Assembly. Extraordinary contributions may be made over and above the regular fees.
- 4 The payment of membership fees does not imply any claim on the assets of the Organization.

§ 5 OFFICIAL MEMBERSHIP

Official membership is open to members of the Senate, the Executive Board, Institute Management and the governing boards, insofar as they agree to accept the conditions of membership.

They are absolved of the obligation to pay membership fees.

§ 6 HONORARY MEMBERSHIP

- 1 Honorary members may be elected from among the research staff and patrons of the Organization by the General Assembly in recognition of outstanding services to the Organization, in response to a proposal by the Senate.
- 2 §5, section 2 applies analogously.

§ 7 TERMINATION OF MEMBERSHIP

- 1** Membership is terminated on the decease of the member or, in the case of legal entities and societies without legal form, on its dissolution. Membership may also be terminated voluntarily by the member or in the event of the exclusion of a member.
- 2** Resignations shall be submitted in writing. They shall only be accepted on condition that they were submitted with three months' notice to the end of a fiscal year.
- 3** The Senate is entitled to effect the exclusion of a member for just cause, in response to a proposal by the Executive Board. The member must be given sufficient time to formulate an opposition or response. The provisions for exclusion do not apply to official members.
- 4** Membership is automatically terminated if a member is in arrears of two annual membership fees, despite having received a reminder.

§ 8 GENERAL ASSEMBLY

- 1 The General Assembly is made up of the members of the Organization. Each member has one vote. Legal entities may exercise their membership rights through an elected representative with written power of attorney.

- 2 An Ordinary General Assembly shall be held at least once a year. An Extraordinary General Assembly may be convoked at the request of the Executive Board, the Senate, or by a vote carried by one fourth of the members. The General Assembly is convoked and chaired by the President. Invitations to the Ordinary General Assembly shall be sent to the members in writing, stating the place, date and time of the meeting and enclosing a copy of the agenda, at least five weeks in advance of the proposed date, or giving at least two weeks' notice in the case of an Extraordinary General Assembly. It is considered sufficient proof of having complied with the minimum period of notice if an invitation is posted to the last known address of a member on the date required. Also valid as an invitation to the Ordinary General Assembly is the publication of an announcement in the Official Journal at least five weeks prior to the proposed date of the meeting. Applications from members for the inclusion of items on the agenda must be submitted to the President at least three weeks in advance of the proposed date for an Ordinary General Assembly, or one week in the case of an Extraordinary General Assembly. The President is expected to inform the members of such applications without delay.

- 3** The General Assembly is deemed to be quorate regardless of the number of members present.
- 4** The resolutions of the General Assembly shall be recorded in writing and countersigned by the President and the Chairman of the Senate.

§ 9 RESPONSIBILITIES OF THE GENERAL ASSEMBLY

- 1** The responsibilities of the General Assembly are to:
 - a) elect the members of the Senate from among representatives of science, business and industry and public life (§10, section 1, item a), the honorary members of the Organization (§6, section 1) and the honorary members of the Senate (§10, section 4);
 - b) approve the Annual Report presented by the Executive Board;
 - c) approve the annual statement of accounts presented by the Executive Board, to discharge the Executive Board of its responsibilities in response to a motion by the Senate and to discharge the Senate of its responsibilities;
 - d) formulate resolutions concerning amendments to the Statute and the dissolution of the Organization;
 - e) approve the schedule of fees.

- 2** In order to be carried, resolutions concerning amendments to the Statute require a two-thirds majority of the votes cast.

§ 10 THE SENATE

- 1 The Senate comprises the following members:
 - a) up to 18 members elected from the fields of science, business and industry, and public life,
 - b) a total of seven members delegated by government institutions: four representing national government and three representing the *Länder*. The *Länder* are free to choose which three *Länder* shall each send a representative for a term of office likewise chosen by themselves,
 - c) three members selected among the persons serving on the Scientific and Technical Council.

In the case of members nominated under item b), the delegating institution may designate a permanent representative. The same applies to members nominated under item c).

- 2 The Senate is entitled to invite guests. In the case of representatives of other research organizations, this should be done under the terms of a reciprocal agreement.
- 3 The members referred to in section 1, item a) shall be elected for a term of three years by the General Assembly. Subsequent re-election is permitted once only; the Chairman of the Senate and his/her deputies may be re-elected twice.
- 4 The General Assembly is entitled to elect persons who have demonstrated outstanding service to the Organization as honorary members of the Senate, in response to a proposal by the Senate. They participate in the meetings of the Senate in an advisory capacity.

§ 11 CHAIRMAN, CONVOCATION, SENATE SUBCOMMITTEES

- 1 The Senate shall elect a chairman and two deputy chairmen from among its members, to hold office for the duration of their service as members of the Senate, subject to a maximum term of office of three years. Re-election is permissible.
- 2 The Senate shall meet at least once a year, following an invitation by the chairman giving at least two weeks' notice of the meeting and enclosing a copy of the agenda and any other documents of relevance to the meeting, including any existing statements of opinion as described in §12, section 5 of this Statute.
- 3 Meetings of the Senate shall be convoked at the request of the Executive Board, the Scientific and Technical Council, or by a vote carried by one third of the Senate members.
- 4 The Senate is considered to be quorate when at least one half of its members are present.
- 5 The Senate shall establish its own rules of procedure.
- 6 The Senate is entitled to form subcommittees. The subcommittees are responsible for tabling motions for resolution by the Senate. Experts external to the membership of the Organization may be called upon to advise the subcommittees. All subcommittee chairmen must be members of the Senate.

§ 12 RESPONSIBILITIES OF THE SENATE

- 1 The Senate is responsible for the election of the President and the other members of the Executive Board by a majority of the votes of its members.
- 2 The Senate is responsible for decisions concerning:
 - a) the basic scientific and research policy of the Organization and the planning of its research activities and expansion;
 - b) the establishment, the incorporation or devolution, the merger and dissolution of research entities belonging to the Organization. The interests of public-sector sponsors shall be respected in any decisions related to the dissolution or merger of Organization research entities.
 - c) any amendments or revisions to the procedural guidelines as defined in §22, section 1 and to the voting procedures as defined in §24, section 4 of this Statute;
 - d) any amendments or revisions to the general provisions of the Institutes' Statute as defined in §20, section 3 of this Statute;
 - e) medium- and long-term financial plans and the establishment of the budget;
 - f) the annual statement of accounts to be presented to the General Assembly;
 - g) the acceptance of new members (§4, section 2) and the exclusion of existing members (§7, section 3).
- 3 The approval of the Senate is required for:
 - a) general rules or principles concerning conditions of employment, remuneration, social benefits and compensatory payments;
 - b) general principles concerning the utilization of profits earned through contract research and license fees;

- c) general principles concerning the acceptance and utilization of funding accorded to the Organization for the fulfillment of its duties, and any profits accrued from the Organization's own financial resources that were not obtained from a public source;
- d) the conclusion or modification of non-tariff employment contracts, in the absence of other instructions on the part of the Senate, and of fee-based contracts exceeding a certain value, defined by the Senate; also the acceptance of liability for the payment of social benefits and compensatory payments extending beyond the provisions of the general rules as defined in §12, section 3, item a) of this Statute;
- e) the purchase, sale or mortgaging of real estate and other land property rights, including hereditary tenancy (Erbpacht), if the value of the measure exceeds 500,000 euros; the transfer of legal rights to items of movable assets, in such cases where the value of the transaction exceeds the sum of 1 million euros; the acquisition of loans exceeding a sum of 1 million euros; the assumption of guarantees or similar obligations provided that these do not concern public requirements, the granting of credits in such cases where the value of the transaction exceeds the sum of 1 million euros. If the value of several related transactions of the above-mentioned nature exceeds the sum of 1.5 million euros, the Senate shall be informed at its next meeting.
- f) the acquisition of shareholdings exceeding one fourth of the total value of a private company, the taking up of additional shares in such companies and their complete or partial sale.

In urgent cases, approval may be obtained from the Chairman of the Senate and one of his deputies plus one member of the Senate, in accordance with §10, section 1, item b). All other members of the Senate must be informed of such urgent decisions by the Executive Board without delay.

- 4 Moreover, the Senate's opinion shall be invoked in matters concerning:
 - a) the appointment or dismissal of members of Institute Management in accordance with the procedural guidelines cited in §22, section 1 of this Statute;
 - b) the election of honorary members of the Organization (§6, section 1) and honorary members of the Senate (§10, section 4).
- 5 Prior to any decision taken in accordance with section 2, items a) to d), the standing committee of the Scientific and Technical Council must be given sufficient opportunity to pronounce its opinion.
- 6 If the subject of a resolution gives cause for such action, a Senate decision may be obtained through a written procedure, requiring the majority of the votes cast by the participating members, except in the event of immediate opposition on the part of a member of the Senate. The Executive Board shall determine the outcome of the decision-making process and inform the members of the Senate without delay.
- 7 The Chairman of the Senate is responsible for appointing the Chairmen of the Groups as defined in §22a, section 4 of this Statute.

§§ 13 and 14 withdrawn

§ 15 THE EXECUTIVE BOARD

- 1 The Executive Board is composed of the President and up to four other full-time members. Two members of the Executive Board must be qualified scientists or engineers. One member must be experienced and well versed in business management practices. One member must possess qualifications equivalent to those required for employment at a senior level in the civil service.
- 2 As a general rule, the members of the Executive Board are appointed for a term of five years. Re-appointment is permissible.
- 3 The employment contracts for members of the Executive Board are concluded on behalf of the Organization by the Chairman of the Senate and a further member of the Senate who complies with the membership requirements cited in §10, section 1, item b).
- 4 The Executive Board shall define its own rules of procedure. Rules shall be drawn up to define the division of business responsibilities within the Executive Board and the cross-representation duties of its members.
- 5 The Organization's legal representation, also in the case of out-of-court settlements, shall be assumed by two members of the Executive Board or by one member of the Executive Board accompanied by a person who has been granted a power of attorney by the entire Executive Board for the exercise of legal functions in connection with a specific case or subject area.

- 6 The Executive Board is entitled to grant a limited legal power of attorney to third parties for the purpose of defending specific cases to which they have been assigned.

§ 16 RESPONSIBILITIES OF THE EXECUTIVE BOARD

- 1 The Executive Board is responsible for managing the business activities of the Organization and dealing with all other affairs of the Organization, except where other provisions are stated in this Statute.

- 2 The principal duties of the Executive Board are to:
 - a) elaborate the basic premises of the Organization's science and research policy and draw up its research, expansion and financial plans in collaboration with the Scientific and Technical Council and the Group Chairmen represented on the Presidential Council;
 - b) supervise the Institutes and Working Groups of the Organization and collaborate with the Scientific and Technical Council on the coordination and promotion of their work;
 - c) implement future-oriented human resources planning and policy, encourage the training and development of staff members and oversee the fulfillment of the Organization's duties with respect to the welfare of its employees;
 - d) maintain a climate of trust and cooperation in the internal affairs of the Organization;
 - e) draw up the budget plan and annual statement of accounts;
 - f) prepare motions for resolution by the General Assembly and the Senate, and implement these resolutions;
 - g) appoint members of the governing boards in accordance with the Institutes' Statute.

- 3 The Executive Board is entitled to allocate duties to Group Chairmen to assist in the representation of the Organization.

- 4 Furthermore, the Executive Board shall participate in the appointment and dismissal of members of Institute Management, in accordance with the terms of the procedural guidelines as defined in §22, section 1.
- 5 The Executive Board shall present a report to the General Assembly, the Senate and the Scientific and Technical Council at least once a year, covering the main issues concerning the Organization.
- 6 The members of the Executive Board have the right to attend all meetings of the Organization's constituent bodies, subcommittees, governing boards and other administrative bodies.

§ 17 RESPONSIBILITIES OF THE PRESIDENT

- 1** The President is the Chairman of the Executive Board and of the Presidential Council, and has the right to define the policy guidelines for the management of the Organization's business. His further rights and duties include:

 - a) representing the Organization both internally and externally;
 - b) chairing the meetings of the Executive Board;
 - c) chairing the General Assembly;
 - d) announcing the nomination of honorary members of the Organization and of the Senate.

- 2** The President is represented by the Chairman of the Senate in respect of the functions cited in section 1, items a), c) and d). He is entitled to transfer his representational duties to another member of the Executive Board on a case-by-case basis.

§ 17A PRESIDENTIAL COUNCIL

- 1** The Presidential Council participates in Executive Board decision-making processes on questions relating to the Organization's business strategy, and assists with the implementation of Executive Board resolutions. As such, it is entitled to make proposals and recommendations and has the right to be heard on such matters. More concrete details are determined by the rules of procedure for the Presidential Council and the Executive Board.
- 2** The Presidential Council consists of the members of the Executive Board and the Chairmen of the Groups. It ordinarily meets once a quarter. The Presidential Council shall define its own rules of procedure.
- 3** Any decision by the Executive Board that stands in opposition to proposals, recommendations or statements supported by at least a two-thirds majority of the Group Chairmen represented on the Presidential Council must be unanimously approved by the vote of the President and the votes of three additional members of the Executive Board. The Group Chairmen who support the opposing viewpoint are entitled to demand, within two weeks of the date of being informed on the Executive Board's decision, that the issue be re-submitted to the Presidential Council with the aim of achieving consensus.

§ 18 THE SCIENTIFIC AND TECHNICAL COUNCIL

- 1** The Scientific and Technical Council is composed of the following members:

 - a) the members of Institute Management;
 - b) internally elected representatives of the scientific and technical staff of the Organization's Institutes.

- 2** A representative of each Institute shall be elected for a term of three years in accordance with §18, section 1, item b); re-election is permissible. Branches of Institutes with their own Director may elect a separate representative, where appropriate. More concrete details are determined by the voting procedures specified in §24, section 4.

- 3** The Scientific and Technical Council shall elect a Chairman and a Deputy Chairman. It shall define its own rules of procedure.

- 4** The Scientific and Technical Council shall exercise its duties through its standing committee, consisting of the Chairman of the Scientific and Technical Council, the Deputy Chairman, and seven further members. When electing members to the standing committee, care must be taken to ensure that the various disciplines within the Organization are fairly represented.

- 5** Meetings of the Scientific and Technical Council shall be held at least once a year, at which the Chairman presents a report on the activities of the standing committee.

- 6** The Scientific and Technical Council is entitled to form subcommittees. These subcommittees may also include persons from outside the membership of the Scientific and Technical Council.

§ 19 RESPONSIBILITIES OF THE SCIENTIFIC AND TECHNICAL COUNCIL

- 1 The Scientific and Technical Council provides advice and support to the other constituent bodies of the Organization in matters of fundamental scientific or technical importance. Its function is to assist the Executive Board in the coordination of the Institutes' research activities and the promotion of collaboration among the Institutes.
- 2 The Scientific and Technical Council shall participate in the appointment and dismissal of members of Institute Management, in accordance with the provisions of the procedural guidelines as defined in §22, section 1.
- 3 In particular, the Scientific and Technical Council is entitled to issue recommendations concerning:
 - a) the basic premises of the Organization's science and research policy and its research and expansion plans;
 - b) human resources planning and policy with respect to scientific and technical staff, and staff training and development;
 - c) the exploitation of the results of the Organization's research and development work;
 - d) the utilization of earned income, especially that derived from contract research and license fees, and the acceptance and utilization of funds donated to the Organization for the furtherance of its work;
 - e) measures used to evaluate the efficiency of scientific and technical projects;
 - f) common issues affecting the Institutes in general.

§ 20 THE INSTITUTES

- 1 The Institutes are the entities responsible for carrying out the Organization's research work. As a rule, they should not have any separate legal status. Any contrary provisions require the approval of the Senate.
- 2 Institutes may be subdivided into branch institutes, independent and internal departments, working groups and project groups.
- 3 In addition to the provisions of §§20 ff., the Institutes shall be constituted under the terms of an Institutes' Statute. Its general provisions shall be defined by the Senate with the approval of the Scientific and Technical Council; these may, where appropriate, be supplemented by special provisions defined by the Institutes themselves in accordance with a procedure specified in the general provisions. For such special provisions to be deemed valid, they must be examined and approved by the Executive Board to ensure that they accord with the Statute of the Organization and with the general provisions of the Institutes' Statute.
- 4 The Institutes' Statute shall allow the staff of the Institute adequate rights of information and co-determination, relative to their function, in a form that enhances the performance of the Institute. The ability of Institute Management to make short-term decisions, particularly in the context of contract research, shall in no way be restricted.
- 5 The provisions of §§20 and 21 apply analogously to independent establishments within the Organization whose creation or incorporation was approved by the Senate under the terms of §12, section 2, item b).

- 6** In the case of multi-Institute Groups, §21, section 1 shall apply accordingly. Detailed business management rules shall be issued by the Executive Board in consultation with the Directors of the Institutes belonging to the Group.

§ 21 INSTITUTE MANAGEMENT

- 1 Each Institute shall be managed by one or more Institute Directors assisted by the heads of any branch institutes and independent departments. Decisions taken by the Institute Management, should it consist of more than one member, must be unanimous. The Executive Board is entitled to nominate one member of the Institute Management as general manager, with the corresponding rights and duties, in agreement with the Institute Management.

- 2 The following rights and duties are incumbent on the members of Institute Management:
 - a) They shall manage the business activities of the Institute, bearing responsibility towards the Organization for the correct administration and best-possible utilization of funds, and for correctly directing the Institute; this includes issuing instructions to staff, working together with them, providing information on and opportunities to discuss major projects, and ensuring that staff receive adequate training.
 - b) They shall draw up plans for the Institute's scientific work.
 - c) Within the framework of the Institute's focal area of research and of the research and expansion plans approved by the appropriate constituent bodies, the Institute Management is free to organize its own scientific projects and is not subject to any restrictions concerning the choice, order and manner of execution of the Institute's scientific projects. The Institute Management is nevertheless expected to observe the planned budget and to meet any obligations it has assumed relating to the execution of research projects.
 - d) They shall endeavor to acquire contract research work. A general power of attorney or specific authorization in individual cases is required for the submission of firm offers and for the conclusion of contracts.

- e) They shall represent the Organization in the day-to-day running of the Institute. However, without express written authority, the Institute Management is not entitled to enter into debitory loan agreements on behalf of the Organization or the Institute, nor to sign contracts or negotiate the terms of agreements relating to real-estate transactions, nor to represent the Organization or an Institute before a court of law.
- f) They shall draw up budget proposals for the Institute;
- g) They shall take decisions concerning the use of financial resources within the framework of the planned budget and, where appropriate, the schedule of research activities;
- h) They shall submit proposals to the Executive Board concerning the employment and release from employment of other members of the Institute staff. The Executive Board is obliged to accept such proposals, except in the presence of legal or other major hindrance. All declarations of a legal nature addressed to a member of staff require a general power of attorney or an individual power of attorney for the case in question.
- i) They shall submit reports to the Scientific and Technical Council, at regular intervals or on request, concerning the progress, planning and results of the Institute's scientific activities.
- j) They shall submit reports on request to the Executive Board, concerning the progress, planning and results of the Institute's scientific activities and its management; the Institute Management is obliged to allow access to documents by the Executive Board or its official representatives.

§ 22 APPOINTMENT AND LEGAL STATUS OF MEMBERS OF INSTITUTE MANAGE- MENT

- 1 The appointment of members of Institute Management (§21, section 1) requires a prior selection procedure in accordance with the provisions of procedural guidelines issued by the Senate.
- 2 Irrespective of any other personal statutory or contractual provisions, the option must be considered of limiting the duration of a person's function as a member of Institute Management. Re-appointment is permissible.
- 3 Premature termination of a person's membership of Institute Management is only permissible in conjunction with termination of that person's employment contract, and only in such cases where there is reason to justify instant dismissal.

§ 22A INSTITUTE GROUPS

- 1** Institutes, branch institutes and independent departments may form specialist groups (referred to as Groups or Alliances). Institutes that are members of more than one Group shall only have voting rights in one of those Groups; a firm decision in this respect must be pronounced on joining the second Group or subsequent Groups.
- 2** The formation of a Group is subject to the decision of the Executive Board. The standing committee of the Scientific and Technical Council shall be accorded the right to present its opinion prior to the formulation of a final decision by the Executive Board. The same provision applies to the dissolution of Institute Groups, by analogy.
- 3** A steering committee shall be set up for each Group, consisting of the Directors of the Institutes involved in the Group. Each Institute possesses one vote at meetings of the steering committee; this does not affect the provisions of section 1, second sentence.
- 4** The Chairman of a Group is appointed by the Chairman of the Senate, usually for a term of three years. The steering committee shall present a proposal to the Executive Board, which in turn forwards the proposal together with its own statement of opinion to the Chairman of the Senate. The Deputy Chairman of the Group is elected for a term of three years by a majority of the members of the steering committee. Re-appointment of the Chairman and re-election of the Deputy Chairman is permissible.

- 5** The Group Chairman assists the Executive Board in the implementation of corporate policy and accepts assignments for and on behalf of the Executive Board.
- 6** Each Group shall define its own Statutes based on the provisions of these paragraphs and a master statute recommended by the Executive Board. The Group Statutes require the approval of the Executive Board.

§ 23 GOVERNING BOARDS

The Executive Board shall set up governing boards for the Institutes and, where appropriate, for similar institutions. The governing boards shall be composed of representatives of science, industry, business and public life. They shall act as advisors to the Directors of the Institutes and the constituent bodies of the Organization. Their more concrete functions shall be determined by the Institutes' Statute.

§ 24 GENERAL PROVISIONS

- 1** All decisions require a simple majority of votes cast, except in cases where another method is prescribed or permitted by this Statute.
- 2** All elections require the majority of the votes cast, excluding spoiled votes, unless otherwise specified. If no such majority is obtained by a single candidate in cases where several candidates are standing for election to a post, a second round of votes shall be cast to select one of the two candidates having received the greatest number of votes in the first round. The post shall then be awarded to the person obtaining the greatest number of votes in the second round. If still no majority is achieved, the result shall be determined by drawing lots.
- 3** An elected member of a constituent body may only be dismissed from his or her post as a consequence of grave misconduct. Such action must be decided by a two-thirds majority of the constituent body that originally elected the member in question. The member shall be heard prior to the decision. He or she is not permitted to vote on the issue.
- 4** All elective decisions shall be made on the basis of a secret ballot. In the cases cited under sections 1 and 3, the decision to hold a secret ballot may be chosen on a case-by-case basis. The more concrete details shall be determined by voting procedures agreed upon by the Senate.

- 5** If an elected member of a constituent body should vacate his or her post prematurely, a replacement may be elected for a new term of office, in the case of members of the Executive Board (§15, section 2) or for the remainder of the term of office of the departing member, in the case of all other constituent bodies.
- 6** If it is not possible to hold the necessary elections for new members of a constituent body of the Organization before the end of an election period, the departing members shall remain in office until such time as new elections have been held and the newly elected members have taken up office.
- 7** The liability of the President, members of the Executive Board, members of the Institute Management and members of the constituent bodies of the Fraunhofer-Gesellschaft for the proper performance of the duties incumbent on them based on this Statute is limited to intent and gross negligence with regard to the Organization and its members.
- 8** The President and members of the Executive Board may receive remuneration and expense allowances for their tasks. Expense allowances for members of the other constituent bodies of Fraunhofer-Gesellschaft are possible.

§ 25 DISSOLUTION OF THE ORGANIZATION

- 1 The Organization may be dissolved pursuant to a resolution by the General Assembly accepted by a three-quarters majority of the members present.
- 2 The resolution to dissolve the Organization must include the nomination of the person or organization to which the assets of the Organization are to be transferred. The assets may only be transferred to another tax-privileged corporate body for the purpose of promoting applied research or – in the absence of a suitable candidate of this type – in accordance with the decision of the federal German government and the federal states in which the Fraunhofer-Gesellschaft maintains research institutes and similar establishments.
- 3 The resolution to dissolve the Organization requires the approval of the German federal finance minister. The minister's approval is also required for the disposal of the assets of the Organization, for a decision to amend the purpose of the Organization, and for any decision that modifies or annuls the provisions of sections 2 and 3.
- 4 Section 2 also applies in the event that the Organization is wound up or that tax-favored purposes no longer apply.
- 5 All decisions concerning the utilization of the assets of the Organization after its dissolution, or in the event that its purpose as defined in the Statute should no longer apply, may not be executed without the prior approval of the appropriate tax authorities.

This Statute was last amended by the Ordinary General Assembly on May 20, 2010, in Leipzig. The amendment was recorded in the official register of non-profit organizations on August 3, 2010.

