

<p style="text-align: center;"><b>Statute of the Trützschler Foundation</b></p>
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**Preamble**

The shareholders of the Trützschler Group, a globally active medium-sized family business founded in 1888 in Crimmitschau, Saxony, have decided to establish an independent foundation under civil law called "Trützschler Foundation" through the parent company of the Trützschler Group, Trützschler GmbH & Co KG. The Trützschler Group, represented by the now fourth and fifth generation of the Trützschler family, has been promoting charitable projects for many years, thus fulfilling its corporate social responsibility. By establishing the Trützschler Foundation, the companies of the Trützschler Group bundle these charitable and benevolent activities and ensure that they can be realized in an appropriate legal framework in the future as well and, above all, in a permanent and sustainable manner.

**§ 1**

**Name, legal form, registered office**

The Trützschler Foundation is a foundation with legal capacity under civil law with its registered office in Mönchengladbach.

**§ 2**

**Purpose of the Foundation**

- (1) The purposes of the Foundation are
  - a) to promote the welfare of the young and the elderly,
  - b) to promote education, national and professional training, including student aid,
  - c) to promote sports,
  - d) to promote science and research.
- (2) The purposes of the Foundation are realized in particular through the direct financial support of persons or institutions or indirectly through the financial support of organizations with comparable purposes, provided that these organizations in turn exclusively and directly fulfill charitable and benevolent purposes within the meaning of Section "Tax-privileged purposes" of the German Tax Code.

- (3) Within the framework described in paragraph (2), the Foundation may take all decisions and measures suitable to achieve its purposes. The Foundation may allocate financial resources (including grants and similar allowances for further education and training) or – with regard to the promotion of science and research – support relevant work and events and award scholarships. The Board of Directors decides on a case-by-case basis, in accordance with the guidelines established by the Board of Trustees or, in the absence of such guidelines, in consultation with the Board of Trustees, how to achieve the purposes of the Foundation and how to use the funding.
- (4) Recipients of Foundation funds shall be obliged to account for the use of such funds.
- (5) There exists no legal entitlement to the allocation of Foundation funds.
- (6) The Foundation may pursue the purposes set forth in paragraph 1 above with varying degrees of intensity, and in particular set and change priorities as desired. This decision is made by the Foundation's Board of Directors in consultation with the Foundation's Board of Trustees.

### **§ 3**

#### **Charitable status**

- (1) The Foundation pursues only charitable purposes within the meaning of section "Tax-privileged purposes" of the German Fiscal Code.
- (2) The Foundation operates on a non-profit basis. It does not primarily pursue its own economic purposes. The Foundation may perform its tasks itself or through auxiliary persons (Section 57 (1), sentence 2 of the German Fiscal Code).
- (3) The funds of the Foundation may only be used for purposes in accordance with the Articles of Association. Nobody may benefit from expenditures that are unrelated to the purposes of the Foundation or from disproportionately high remuneration. Specifically the Founder and any legal successors shall not receive any allocations from the Foundation's funds.

### **§ 4**

#### **Foundation assets, fiscal year**

- (1) The Foundation is endowed with assets which are specified in more detail in the Foundation deed.
- (2) In the interest of the Foundation's long-term existence, the value of the Foundation's assets shall be preserved in its entirety. Reallocations of assets are permissible. Reallocation profits are generally to be allocated to the assets of the Foundation. However, no more than 50% may be used for Foundation purposes. This requires a resolution in accordance with the Articles of Association. The Foundation's Board of Directors, in consultation with the Board of Trustees, shall issue investment guidelines that serve as the basis for asset management.

- (3) The income from the assets of the Foundation shall be used in a timely manner to fulfill the purposes of the Foundation in accordance with the provisions of the law on non-profit organizations. The same applies to donations made to the Foundation for the fulfillment of its purposes. The Foundation shall be free to pursue the purposes of Section 2 para. (1) of these Articles of Association with different emphasis.
- (4) The Foundation shall be entitled to accept endowments. These shall be added to the assets of the Foundation if they are designated for this purpose by the donor.
- (5) The administrative costs of the Foundation shall be covered in advance from the income and donations.
- (6) Reserves may be established within the framework of the provisions of foundation and tax law. They are part of the equity capital of the Foundation. If insufficient funds are available for the realization of projects in accordance with the purposes of the Foundation, an earmarked reserve may be established from the income for the later realization of these projects.
- (7) The fiscal year of the Foundation is the calendar year.
- (8) The Foundation may assume the sponsorship of non-profit foundations with no legal capacity and the administration of foundations with legal capacity if these have a corresponding purpose and bear the resulting administrative costs.

## **§ 5**

### **Bodies of the Foundation**

- (1) The bodies of the Foundation are
  - the Board of Directors
  - the Board of Trustees.
- (2) The members of one of the Foundation bodies mentioned in para. 1 may not belong to the other body.
- (3) The members of the bodies shall only be liable for intent and gross negligence.

## **§ 6**

### **Composition of the Board of Directors**

- (1) The Board of Directors consists of at least one and at most two persons. The appointment of the initial Board of Directors is made by the Founders. Thereafter, its members are elected and appointed by the Board of Trustees. The members of the Board of Directors shall appoint the Chairman of the Board of Directors from among its midst. As far as possible, one member of the shareholder family Hans Trützscher and one member of the shareholder family Hermann Trützscher shall be part of the Board of Directors.
- (2) The members of the Board of Directors are appointed for three years. Reappointment is permissible. If a member resigns before the expiry of his term of office, a new member shall be appointed for the remaining term of office of the resigning member. After expiry

of his term of office, the incumbent member of the Board of Directors continues to manage the business until a new member takes office.

- (3) Members of the Board of Directors may be dismissed by resolution of the Board of Trustees at any time for good cause. The resolution requires a simple majority of the votes cast.

## **§ 7**

### **Tasks of the Board of Directors**

- (1) The Board of Directors represents the Foundation in and out of court. It holds the position of a legal representative. If only one member of the Board of Directors has been appointed, he or she alone shall represent the Foundation. If two members of the Board of Directors have been appointed, both members of the Board of Directors shall jointly represent the Foundation. The Board of Trustees of the Foundation may, by resolution, grant a member of the Board of Directors sole power of representation in general or for individual cases, as well as exemption from the restrictions of Section 181 of the German Civil Code (BGB).
- (2) The Board of Directors shall fulfill the will of the Founder as effectively as possible within the framework of the law and these Articles of Association. Its tasks are in particular
  - a) the administration and management of the assets of the Foundation, including the keeping of books and preparing the annual financial statements,
  - b) the resolution on the proposal for the use of the income from the Foundation's assets as well as the preparation and implementation of the resolutions of the Board of Trustees on the allocation of Foundation funds,
  - c) the implementation as well as the realization of the Foundation's purposes in special funding initiatives, the preparation of a report on the fulfillment of the Foundation's purposes,
  - d) the preparation of the economic plan before the beginning of each fiscal year, as well as reporting and accounting on the activities of the Foundation no later than three months after the end of a fiscal year,
  - e) the passing of resolutions within the scope of §§ 11 and 12 of these Articles of Association.
- (3) The Board of Directors may issue its own rules of procedure, unless the Board of Trustees issues rules of procedure for the Board of Directors.
- (4) The members of the Board of Directors serve the Foundation in an honorary capacity. They are not entitled to any pecuniary advantages. Reasonable expenses and costs incurred by them may be reimbursed in accordance with a corresponding resolution of the Board of Trustees. Compensation for time spent is excluded.

## **§ 8**

### **Composition of the Board of Trustees**

- (1) The Board of Trustees consists of (at least) four and (at most) six persons. The members of the initial Board of Trustees shall be appointed by the Founder.
- (2) The Board of Trustees elects a Chairperson and a Deputy Chairperson from among its members.
- (3) If the Board of Trustees consists of four persons, two members of the initial Board of Trustees shall be appointed for five years and two members for three years. If the Board of Trustees consists of five persons, three members of the initial Board of Trustees shall be appointed for five years and two members for three years. If the Board of Trustees consists of six persons, three members of the initial Board of Trustees shall be appointed for five years and three members for three years. After the completion of the respective term of office of the members of the initial Board of Trustees, the subsequent members of the Board of Trustees are always appointed for three years. Re-election and re-appointment are permitted. Successors of retiring members of the Board of Trustees are elected and appointed by the remaining Board of Trustees members. If a member of the Board of Trustees resigns during the term for which he or she is appointed, the election and appointment of a successor for the remaining term of office of the resigning member follows.
- (4) When electing successors for retired members of the Board of Trustees, the remaining members of the Board of Trustees shall take into account the fact that the Board of Trustees shall only include biological descendants of Hans Trützscher and Hermann Trützscher, their spouses and up to two other members. Furthermore, the members of the Board of Trustees who elect the successors shall observe that the Board of Trustees should always include an equal number of members of the Hans Trützscher family line and the Hermann Trützscher family line. If, in the case of an election of successors for retired members of the Board of Trustees, not enough members of one family line are available as candidates, natural descendants of the respective other family line can also be elected as successors.
- (5) The Board of Trustees may dismiss its members for good cause. The dismissal shall require the consent of 75% of the members of the Board of Trustees.

## **§ 9**

### **Tasks of the Board of Trustees**

- (1) The Board of Trustees, as an independent supervisory body, monitors the Board's compliance with the will of the Founders.
- (2) The Board of Trustees has the following tasks in particular:
  - a) Selection and appointment of the members of the Board of Directors following the term of office of the members of the Board of Directors appointed by the Founder,
  - b) establishing guidelines for the fulfillment of the Foundation's purpose,

- c) adoption of resolutions on guidelines for the Board of Directors concerning the realization of the Foundation's purposes, in particular with regard to the allocation/use of funding,
  - d) approval of the annual economic plan to be prepared by the Board of Directors,
  - e) control of the budgetary and economic management with the involvement of an auditor,
  - f) approval of the annual financial statement,
  - g) issuance of rules of procedure for the Board of Directors to the extent deemed expedient by the Board of Trustees; in particular, the Board of Trustees can make legal transactions and measures of the Board of Directors therein subject to the approval of the Board of Trustees
  - h) approval of legal transactions involving particular risks for the Foundation,
  - i) discharge of the Board of Directors from liability,
  - j) passing of resolutions within the scope of §§ 11 and 12 of these Articles of Association,
- (3) The Board of Trustees can issue rules of procedure for itself.
- (4) The members of the Board of Trustees serve the Foundation in an honorary capacity. They are not entitled to any pecuniary advantages. Reasonable expenses and costs incurred by them may be reimbursed in accordance with a corresponding Board of Trustees.resolution. Compensation for time spent is excluded.

### **§10 Resolutions**

- (1) The Board of Directors and the Board of Trustees constitute a quorum if more than half of the members are present. Each member has one vote. They pass resolutions by a simple majority of the votes cast, unless otherwise stipulated in these Articles of Association. In the event of a tie, the chairman has the casting vote. An absent member can be represented by a member present based on a written declaration to the respective Foundation Body. Minutes of the meetings shall be drawn up and copies sent to all members of the Foundation Body.
- (2) Resolutions by circular letter shall be admissible if all members of a Foundation Body participate in them. This is not applicable to the election, appointment and dismissal of members of governing bodies and to resolutions pursuant to §§ 11 and 12 of these Foundation Statutes.

- (3) Flaws in the decision-making of a body may be asserted by any member of that body and by any member of the other bodies by bringing an action for a declaratory judgment. The action shall be directed against the Foundation.

## **§ 11**

### **Changes to the Articles of Association**

- (1) A change to these Articles of Association requires resolutions of the Board of Directors and the Board of Trustees, each of which must be adopted by a majority of 75% of the votes cast.
- (2) Changes to the purposes of the Foundation require a majority of 75% of the total votes cast in both boards.
- (3) Changes to the Articles of Association shall not compromise the charitable status of the Foundation.
- (4) The Foundation Authority must be informed about amendments to the statutes (Section 5 para. 1 StiftG NRW); insofar as changes of purpose or changes in the organization are made, approval by the Foundation Authority is required (Section 5 para. 2 StiftG NRW).
- (5) Changes to the articles of association require the approval of the Foundation Authority.

## **§ 12**

### **Dissolution of the Foundation, accumulation of assets**

- (1) A dissolution of the Foundation requires resolutions of the Board of Directors and the Board of Trustees, each of which must be adopted by a majority of 75% of the total votes present in the body of the Foundation concerned. The resolutions require the approval of the Foundation Authority and the responsible tax office.
- (2) The dissolution of the Foundation or the merger or addition of the Foundation with or to another foundation is only permitted if the fulfillment of the Foundation's purposes has become impossible or is no longer reasonable in view of significant changes in circumstances. Resolutions to this effect require the approval of 75% of the total votes present in the Board of Trustees. The requirement of approval by the Foundation Authority remains unaffected.
- (3) In the event of the dissolution of the Foundation, its dissolution or the discontinuation of its tax-privileged purposes, its assets shall pass to the Werhahn Foundation. The Werhahn Foundation shall use the assets directly and exclusively for charitable purposes within the meaning of Section 2 (1) of these Articles of Association.

### **§ 13**

#### **Informing the Foundation Authority**

The Foundation Authority must be informed on request at any time about all matters concerning the Foundation. Without being requested to do so, an annual statement of accounts with a statement of assets and liabilities and a report on the fulfillment of the Foundation's purposes must be submitted to the Foundation Authority within 12 months after the end of the fiscal year.

### **§ 14**

#### **Role of the tax office**

Regardless of the approval requirements arising from the Foundation Act, resolutions on changes to the Articles of Association and on the dissolution of the Foundation must be reported to the relevant tax office. In the case of changes to the Articles of Association which affect the purpose of the Foundation and the accrual of assets, a statement from the tax office regarding tax concessions must be obtained beforehand.

### **§ 15**

#### **Foundation Authority**

The Foundation Authority is the Düsseldorf District Government; the supreme Foundation Authority is the Ministry of the State of North Rhine-Westphalia responsible for Foundation Law. The Foundation Authority's powers of approval and consent must be observed.