



Europäische Forschungsgesellschaft Dünne Schichten e. V.
European Society of Thin Films

Association constitution

of the

**Europäische Forschungsgesellschaft Dünne Schichten e.V.
European Society of Thin Films (EFDS)**

Resolved and approved:

31.01.1992 (original version)

15.11.2016 (last revision)

Entry in the register of associations:

Amtsgericht Dresden (local court)

VR 1645

25.02.1993

Article 1
Name, registered office, business year

- (1) The association bears the name
- “Europäische Forschungsgesellschaft Dünne Schichten e.V.”
“European Society of Thin Films”
(referred to as EFDS hereinafter).
- (2) The association has its registered office in Dresden and has been entered in the local register of associations. It maintains its office in Dresden.
- (3) The business year is the calendar year.

Article 2
Object

- (1) The object of EFDS is the promotion of science, research and education in the field of “Thin Film” surface technologies with the aim of initiating research, qualifying young scientists as well as experts in this field and organizing the sharing of the results of academic research.
Apart from that, the association may also provide immaterial and financial support to other tax-privileged corporations, corporations under public law or even foreign corporations active in the immaterial and material promotion and cultivation of science, research and education.
- (2) To achieve this object, EFDS will in particular:
- a) identify scientific issues in the field of “Thin Film” surface technologies and their economic significance as the basis for the definition of key themes and programmes of research work, and encourage the implementation of research projects;
 - b) inform the interested public, including consumers, about on-going research in the field of “Thin Film” surface technologies, about current academic issues and about the results of research projects, in particular by holding congresses and workshops, and support the transfer of research results into practice;
 - c) provide professional preparation, evaluation and assistance for research work commissioned from research institutions;
 - d) and cultivate the professional exchange of knowledge and experience among members.

- e) Support for the corporations named in Article 2, clause 1, item 2 is implemented in particular by procuring funds to achieve the tax-privileged objectives of another corporation, as mentioned in Article 2, clause 1, or to achieve the tax-privileged purposes of a legal entity under public law as mentioned in Article 2, clause 1; the precondition for the procurement of funds for a private-law corporation subject to unlimited tax liability being the tax-privileged status of that corporation.
- (3) For the pursuit of its object the association itself may become a member of other non-profit associations, e.g. of the Arbeitsgemeinschaft industrieller Forschungsvereinigungen "Otto von Guericke" (AiF - work group of industrial research associations).

Article 3

Non-profit status

- (1) The association exclusively and directly pursues non-profit purposes within the meaning of the "Tax-privileged purposes" section of the German Fiscal Code.
- (2) The association activities are altruistic, it does not primarily serve its own economic interests.
- (3) The association's funds may only be used for the purposes set out in this constitution. Members shall not receive any allocations from the association's funds.
- (4) No person shall benefit from expenditure unrelated to the object of the association or from disproportionately high remuneration.
- (5) If the association is dissolved, members are not entitled to the association's assets. On dissolution of the association or loss of tax-privileged purposes the association's assets shall pass to a legal entity under public law or to another tax-privileged corporation to be used for the promotion of science and research, in particular in the field mentioned in Article 2, clause 1. If provisions are made for several institutions, the general assembly of members shall decide about the concrete allocation of assets. The approval of the relevant tax office shall be obtained prior to the passing of a resolution by the general assembly (Articles 12 ff.).

Article 4

Membership

- (1) Members are divided into:
 - a) honorary members
 - b) full members
- (2) Individuals of extraordinary merits in respect of the association and its aims may be appointed honorary members. Appointment is made by the general assembly of members. Honorary members are exempt from any obligation to contribute.

- (3) Any German or foreign legal entity or individual may join the association.
- (4) Membership is voluntary. The Executive Board decides about admission upon written application.
- (5) Membership ends
 - a) by termination at the end of a calendar year with 3 months' notice;
 - b) by expulsion upon resolution of the Executive Board if a member has grossly violated its membership duties or acted contrary to the interests of EFDS. The termination of membership extinguishes all claims towards EFDS and its assets.
- (6) The Executive Board's decision about the admission or expulsion of a member may be objected to by the individual or entity concerned. In this case the final resolution shall be passed by the general assembly.

Article 5 **Rights and duties of members**

- (1) EFDS members are entitled to cooperate in all affairs of EFDS in the form provided by this constitution. They have the right to be kept informed about the EFDS's activities and their results by the respective bodies.
- (2) By joining the association, members undertake to promote the objects of EFDS, to carry out its resolutions and to provide information which EFDS needs for the performance of its tasks.
- (3) Members are obliged to pay annual membership fees as set forth in the fee rules to be passed by the general assembly of members (Article 7 clause 6f).
- (4) EFDS has the right to accept grants and donations.
- (5) Membership fees, grants and donations, as well as government subsidies, shall exclusively serve the achievement of the object of EFDS, in particular the implementation of research projects and the transfer of research results into practice.

Article 6 **Bodies of EFDS**

- (1) The bodies of EFDS are
 - the general assembly of members
 - the Executive Board
 - the Advisory Board

The liability of members of the bodies towards EFDS and its members in respect of any damage caused in the performance of the duties of such bodies shall be limited to cases of intent or gross negligence.

- (2) EFDS is represented in and out of court by the Chairman of the Executive Board or by the Deputy Chairman alone, otherwise by two Board members jointly (Executive Board within the meaning of Section 26 of the German Civil Code).
- (3) The organs of the association may receive reasonable compensation for their work, in particular attendance fees. Decisions about the granting of compensation are taken by the Chairman and/or the other members of the Executive Board. The same applies to employment contracts and fee contracts and to the content and terms of such contracts. Regardless of this, the members of EFDS organs are entitled to reimbursement of costs and expenses incurred and documented insofar as such costs and expenses are of a reasonable nature and level. Flat-rate reimbursement of costs and expenses pursuant to statutory regulations in force is permissible.
- (4) The association appoints a CEO. The CEO reports to the Executive Board and the general assembly of members. He is obliged to attend all meetings and conferences held within the association; however, he has no voting right.

Article 7 **General assembly of members**

- (1) The general assembly of members comprises the full members and the Executive Board.
- (2) The full members nominate their representative for the general assembly. Each full member has one vote. Every full member may be represented by another full member through unlimited written proxy; however, one full member may represent no more than two others.
- (3) On proposal of the Executive Board, honorary members and individuals from the Advisory Board may attend the general assembly in an advisory function.
- (4) The general assembly is convened by the Chairman of EFDS, or by the Deputy Chairman in case of the Chairman being prevented. Extraordinary assemblies of members shall be convened at the Executive Board's discretion or if requested by at least one quarter of full members.
- (5) The general assembly is the decision-making body having the right of initiative in all affairs which are not the responsibility of the Executive Board (Article 8). The general assembly resolves the general guidelines for EFDS's work.

- (6) In addition, the general assembly of members adopts resolutions regarding
- a) the election of the Executive Board
 - b) the election of auditors,
 - c) the admission of honorary members,
 - d) the approval of annual accounts and the audit report for the previous business year and the budget proposal for the upcoming business year,
 - e) the approval of the Executive Board's action,
 - f) the passing of fee rules,
 - g) the decision about the admission or expulsion of a member in the cases described in Article 4 clause 6,
 - h) changes to the constitution,
 - i) the dissolution of EFDS or its union with other non-profit research associations.
- (7) One general meeting must be held per year to resolve the issues listed in clause 6 above.
- (8) Every general meeting duly convened pursuant to Article 10 is competent to pass resolutions.
- (9) Resolutions and elections of the general assembly of members require a simple majority of votes; parity of votes shall mean rejection. As a rule, voting is informal. Votes shall be taken in writing if requested by at least one third of voters.
- (10) On proposal of the Executive Board or from among the general assembly, general assembly resolutions – with the exception of resolutions on changes to this constitution (Article 12) and changes in the Board, as well as on the dissolution of EFDS or its union with other non-profit research associations (Article 13) – may be circulated in writing, by telex or by electronic communication if more than half of the members taking part in the poll agree to such a procedure. Voting by e-mail requires an authorized electronic signature.

Article 8

Executive Board

- (1) The Executive Board as defined in Section 26 of the German Civil Code consists of the Chairman, the Scientific Secretary and up to eight other members. Individual members and representatives of legal EFDS members are eligible. The majority of Board members are representatives of enterprises. The Executive Board appoints its Chairman and Deputy Chairman. The Board is elected by the general assembly of members for a period of two years; it conducts the business until the new election. Re-election is permissible.

If a Board member resigns during his/her term in office, the Chairman may appoint a substitute for the period up to the next election.

- (2) Executive Board members work on a voluntary basis; they may claim compensation for their work and reimbursement of costs and expenses only to the extent as provided in Article 6 clause 3.
- (3) The Executive Board is competent to pass resolutions if at least three of its members are present. Resolutions are passed with a simple majority of the Board members present. In case of a parity of votes, the Chairman has the casting vote. On the proposal of a Board member, resolutions may be circulated in writing, by telex or by electronic communication (by e-mail or teleconference) if more than half of the board members taking part in the poll agree to such a procedure.
- (4) The Executive Board manages EFDS in line with its object and taking into account the general guidelines adopted by the general assembly of members. The Board is responsible for all affairs of EFDS unless such responsibility is vested with other bodies by statutory provisions.

Other tasks of the Executive Board include:

- a) the admission of members,
 - b) the administration of the association's assets,
 - c) the preparation of general assemblies of members,
 - d) the preparation of an annual report of activities which shall include a balance sheet and a statement of income and expenses, both confirmed by the auditors,
 - e) the preparation of a preliminary budget for the next business year,
 - f) the employment of a CEO,
 - g) in urgent cases: decisions about affairs normally subject to the general assembly's decision, with the proviso of subsequent approval by the next assembly.
- (5) The Scientific Secretary is a Board member and appointed by the Board. His/her task is to ensure the implementation of the association's objects in the academic field. Subordinate to the Scientific Secretary are the Expert Committees, whose managers are appointed on the Secretary's proposal.

Article 9

Advisory Board

- (1) The Advisory Board is appointed by the Executive Board and consists of professional experts from industry and science. Advisory Board members are expected to report in particular on research subjects relating to their specific field and to promote the quality of EFDS's research work on a voluntary basis.

- (2) Unless the Executive Board provides otherwise in individual cases, Advisory Board meetings may also be attended by representatives of the full members.
- (3) In particular, the Advisory Board supports the tasks described in Article 2, clauses 2 und 3 of this constitution.
- (4) Advisory Board meetings are convened and presided over by the Chairman or a deputy. Article 8 clause 3 item 4 applies accordingly.
- (5) The Advisory Board may appoint committees and define their tasks.
- (6) Advisory Board members work on a voluntary basis; they may claim compensation for their work and reimbursement of costs and expenses only to the extent as provided in Article 6 clause 3.

Article 10 **Deadlines, voting and minutes**

- (1) Invitations for general assemblies of members and for Advisory Board and Executive Board meetings must state the agenda and be dispatched in writing by ordinary letter or e-mail at least 30 days prior to the date of the meeting, the meeting documents shall be dispatched in the same way at least 14 days prior to the meeting. Dates of general meetings and Advisory Board meetings should be announced at least 6 weeks in advance. Invitations for Executive Board meetings may in urgent cases be sent at shorter notice by telefax, e-mail or telephone.
- (2) Voting and elections in all bodies of the association may be held by open or secret ballot. A secret ballot must be held on request of the Executive Board or of at least one third of voters present. The passing of resolutions requires the majorities as defined for the body in question.
- (3) Minutes shall be kept of all general meetings as well as of all Executive Board and Advisory Board meetings. Such minutes shall be signed by the Chair of the meeting in question and a member of the management.

Article 11 **Management**

The Executive Board of EFDS appoints the management, which conducts business as provided in the constitution and in the resolutions of the association's bodies. The management has power of financial disposition within the framework of the budget. Dispositions in excess of the budget require the approval of the Executive Board. The management attends all meetings of EFDS bodies without voting right unless the body in question decides otherwise in individual cases.

Article 12

Changes to the constitution

Changes to this constitution can only be resolved in regular assemblies of members. Such changes require a motion either by the Chairman or by at least 25 % of all full members. Every change to this constitution requires a majority of at least two thirds of all votes represented.

Article 13

Dissolution, union

The dissolution of EFDS or its union with other non-profit research institutions (Article 7, clause 6, item i)) may only be resolved at a general meeting convened for that specific purpose four weeks in advance. The dissolution of the association may only be resolved if at least two thirds of all full members are represented at the meeting and the motion is approved by a majority of three quarters of votes of the members represented.

If that general meeting is not competent to pass resolutions, a second general meeting shall be convened within a fortnight which shall be competent to pass resolutions irrespective of the number of attendants. Again, the motion requires a majority of three quarters of votes of the members represented.

In the event of dissolution, the association's assets are subject to Article 3 clause 5 of this constitution.