

# Articles of Association of MIOTY Alliance e.V.

07/04/2022

## **1 Section: GENERAL INFORMATION**

### **1.1 Name and registered office**

- 1.1.1 The Association has the name "MIOTY Alliance e.V." It has been entered in the registry of associations of the Local Court of Nuremberg under VR 202493.
- 1.1.2 The Association maintains its registered office in Nuremberg.
- 1.1.3 The Association is impartial in terms of political, ethnic and religious affiliation. Where these Articles of Association use references to titles, these apply equally to both genders.

### **1.2 Purposes and tasks of the Association**

1.2.1 The Association has the following purposes, in particular:

- a.) Representation of the interests of developers, manufacturers and users in the field of radio transmission technology;
- b.) Global promotion, further analysis and advancement of practical applications of radio transmission technology, in particular the technology known under the brand name MIOTY, having been developed by Fraunhofer Institut IIS, for radio transmission as standardised in ETSI 103357 TS-UNB at the time of the founding of the Association;
- c.) Definition and promotion of open, cross-manufacturer, consistent and transparent standards, and principles for the manufacturing of MIOTY-compatible device and the operation of infrastructures to assure the functionality and interoperability of the radio transmission technology;
- d.) Support for the proliferation and technical advancement of the MIOTY technology;
- e.) Support of matters and activities relating to MIOTY;
- f.) Establishing the MIOTY radio technology worldwide as a standard for highly reliable and robust LPWA networks;
- g.) Promotion of the development of a broad range of interoperable, radio-based products for the applications of the Internet of Things (whereas not the promotion of concrete products, project developments or product programmes);
- h.) Promotion of the development of specifications to assure the interoperability of sensor profiles for radio products using the TS 103357 radio standard.

1.2.2 To reach these purposes, the Association assumes the following tasks, in particular:

- a.) Recording and evaluating experiences of persons and organisations regarding MIOTY for the purpose of developing non-committal proposals for behaviour, statements and recommendations to assure a reliable, interoperable functioning of infrastructures and applications of MIOTY technology, also with participation of third parties;
- b.) Organisation of training, conferences, congresses, and other events serving for the exchange of information in the field of radio transmission technology, in particular MIOTY;
- c.) Coordination and promotion of information campaigns and decision on the kind and manner of the financing of information campaigns relating to MIOTY;
- d.) Drafting of statements, planning of initiatives and harmonisation projects at national and supranational levels with relevance for MIOTY, in particular with the aim of providing an ecosystem for the users of the MIOTY technology – both the product manufacturers as well as the end users;
- e.) Networking activities between the members along the value creation chain

1.2.3 There is not legal right of members to the Association's services. In particular, the membership fee is not compensation for certain services of the Association.

- 1.2.4 The Association can offer the members and third parties certain services for the performance of its duties, for example, certifications, licenses to use product labelling against separate payment (for-profit business). The earnings resulting from this will be used for the realisation of the purposes pursuant to Sec. 1.2.1.

### **1.3 Financial year**

The financial year begins on 1 October and ends on 30 September.

### **1.4 Language, minutes**

- 1.4.1 These Articles of Association and all bylaws adopted on their basis are drafted in German and English. Annual financial reports (Sec. 3.3.4 lit. c) must also be drafted in German and English.
- 1.4.2 Furthermore, all assemblies/meetings shall be held in English. The minutes of the meetings of the association board and advisory council (Sec. 3.36 and 3.4.3) shall be drafted in English. If these minutes should include resolutions required for registration or should a member of the association board so demand, the corresponding minutes shall be additionally translated into German by a certified translation services provider. It is agreed that, when a German version is available, it shall be the prevalent version in the event of discrepancies.
- 1.4.3 Minutes of the bodies shall become binding, unless it is objected to their contents before the next meeting. If the next meeting takes place within one month after the minutes were mailed, the period for objection shall continue to apply for one month after the mailing of the minutes.

### **1.5 Adoption of resolutions in circular procedure or by email**

- 1.5.1 Resolutions by the bodies, committees and working groups of the Association can be adopted in writing by way of circular procedure or by email, provided that no member objects to this method for adopting the resolution.
- 1.5.2 To adopt a resolution by way of circular procedure, each member of the committee shall receive the corresponding resolution proposal in writing or email from the person convening the meeting, who is thereby setting a deadline for casting votes. The deadline shall be at least seven working days from receipt of the resolution proposal. The resolution proposal shall be deemed received if it has been mailed to the last known postal or email address of the member.
- 1.5.3 The resolution can be adopted by way of circular procedure in text form. The bylaws of a body can determine stricter requirements for the form of the circular procedure, also as applies to individual objects of a resolution.
- 1.5.4 The resolution shall be adopted by the majority of the votes cast within the deadline and in the required form, provided that a quorum is given.
- 1.5.5 If it is effectively objected to adopting the resolution by way of circular procedure within the period set by the person convening the meeting, it must be convened.
- 1.5.6 If a member abstains from voting, this shall be regarded as agreement to the circular procedure, whereas not to the resolution proposal.
- 1.5.7 The person convening the meeting shall inform all members of the voting result in writing or by email within one week; Sec. 1.4.5 applies accordingly.

## 2 Section: MEMBERSHIP

### 2.1 General remarks

- 2.1.1 Legal entities and registered partnerships can become members of the Association. The membership is indivisible and multiple persons cannot acquire a joint membership. The membership is not transferable.
- 2.1.2 The admission as a member must be requested in writing by signing the membership declaration, stating the desired member category and including the filled out form on the business structure. An authorisation for the direct debit of the membership fee – in the case the member is admitted – shall be enclosed with this membership declaration, unless a differing payment method has been approved by the association board. The membership will become effective by the approval of the membership declaration by the board and payment of the first membership fee. A right to the establishment of the membership does not apply.
- 2.1.3 The admission to the bodies of the Association requires a proposal by a member of the Association.
- 2.1.4 The Association's activity is subject to the strict adherence to the anti-trust law. The meetings must not be used for illegal cartel arrangements or an illegal exchange of information. The exchange of information between the members of the Association shall take place exclusively for realising the purposes defined in Section 1.2 and in particular does not cover any sensitive information about the competition on production and sales (e.g. prices, supply quantities and capacities), internal research and development projects, marketing strategies and benchmarking (e.g. with regard to cost structures) of the members of the Association. The members undertake to observe the compliance guideline adopted by the members' meeting. Before the start of each meeting, the members shall be informed of the compliance policy.
- 2.1.5 Members have the duty to promote the objectives of the Association.
- 2.1.6 The member status shall not obligate for the exclusive use of the MIOTY technology. The right of the members to attain or maintain membership in other associations or other alliances shall remain unaffected.
- 2.1.7 The members are permitted to use the word and picture mark of the "MIOTY Alliance" free of charge in the known spelling and design for display within the duration of their membership. The members are not authorised to transfer the rights granted to them to any third parties. The members' meeting may adopt rules for the use of the word and picture mark.
- 2.1.8 The extent to which it shall be permitted
- to entities controlled by a member, or
  - to entities, the majority of which is held directly or indirectly by the same beneficial owner(s) as a member,
  - to entities, in which a member directly or indirectly holds the majority,
- to use the information of the relevant member from the Association and/or further advantages the relevant member receives from its membership shall be decided by the association board in the individual case.
- This shall not be permitted to other entities, even if they maintain any kinds of relations with a member, meanwhile permission for this cannot be granted by the relevant member either. Each member shall name the parties pursuant to clause 1 in the course of the admission process (Sec. 2.1.1) on the form regarding the business structure and inform the Association immediately of any changes in the majority shareholding of the parties involved pursuant to clause 1 and of any new shareholdings pursuant to clause 1. The information shall be given by completing a new form and sending it to the association board. Each member shall impose the same duties in relation to the Association as apply to itself on the parties to whom use is permitted pursuant to clause 1.
- 2.1.9 The exercise of voting rights and rights to submit proposals on behalf of the member is not covered by Sec. 2.1.8. A member can always only have one vote or one right to make a proposal in the relevant matter.

## 2.2 Categories of membership

- 2.2.1 The Association has the following membership categories:
  - a.) Founders
  - b.) Full members
  - c.) Associated members
- 2.2.2 Each member shall empower respectively one natural person to exercise its membership rights and obligate to perform its membership duties, who is under an employment or service contract with the respective member.

## 2.3 Founders

- 2.3.1 Founders are founding members, who have made decisive contributions to bringing the MIOTY technology into the present state of technology in the year 2019 and getting it ready for marketing, and who have thereby laid the foundation for the practical application of the MIOTY technology, so that they can serve as guarantors for the long-term support of the MIOTY technology.
- 2.3.2 Founders for the purposes of this provision are:
  - a.) **Fraunhofer-Gesellschaft** zur Förderung der angewandten Forschung e.V. [Fraunhofer Society for the Promotion of Applied Research] entered in the registry of associations at the Local Court of Munich under number VR 4461) for its Fraunhofer Institute for Integrated Circuits
  - b.) **Diehl Metering GmbH** (entered in the commercial register of the Local Court of Ansbach under number HRB 69)
  - c.) **Texas Instruments Incorporated** (12500 TI Boulevard Dallas, Texas 75243, USA)
  - d.) **ifm electronic GmbH** (entered in the commercial register of the Local Court of Essen under number HRB 1887)
  - e.) **WIKA Alexander Wiegand SE & Co. KG** (entered in the commercial register of the Local Court of Aschaffenburg under number HRB 1819)
  - f.) **RAGSOL GmbH** (entered in the companies' register of the Austrian Republic under number FN 502233 d)
  - g.) **Stackforce** (entered in the commercial register of the Local Court of Freiburg under number HRB 711613)
- 2.3.3 Founders shall have the same rights as full members, unless defined otherwise in these Articles of Association.

## 2.4 Full members

- 2.4.1 There is no right to the status as full member. A full member supports and/or promotes the application of the MIOTY technology and supports its purposes to a particular extent through its active and passive voting right in the bodies of the Association.
- 2.4.2 Full members are entitled to a vote in the members' meeting. They have an active and passive voting right, i.e. they have a right to make proposals to the members of the association board, they can suggest agenda items for the members' meetings and they have a right of presentation at events and congresses organised by the Association.
- 2.4.3 Full members can also change the status into an associated member by writing to the association board, observing a period of six months toward the end of the financial year.

## 2.5 Associated members

- 2.5.1 According to 2.1.1, only parties interested in the MIOTY technology can become associated members.

- 2.5.2 Associated members will receive invites to events of the Association, they can participate in congresses of the Association and they will receive the publications of the Association.
- 2.5.3 The associated members do not have an active and passive voting right, but they do have the right to participate in the members' meetings.
- 2.5.4 Associated members can request to receive the status as a full member. There is no right of the status as full members. The application shall be decided by the association board. In case the application is approved, the status as full member shall begin on the payment of the higher membership fee.
- 2.5.5 It is defined in the fee policy that non-profit institutions and universities shall pay a lower fee than other associated members pay.

## **2.6 Premiums**

- 2.6.1 All members shall pay a minimum fee the amount of which shall be determined by the members' meeting and documented in the fee policy. The membership fee shall be staggered by the membership categories. The member fee shall be collected by the Association once annually on the 15th of October for the following financial year, unless the association board approves a deviating payment method for individual members. If the membership fee is not paid within a grace period of two months that has been set in text form, the Association shall be authorised to expel the relevant member from the Association with a period of two weeks after a further unsuccessful request for payment in text form and inform it of this in a notice in text form. The possibility of expulsion shall be pointed out in the additional payment request.
- 2.6.2 In addition to the membership fee, full members and founders can be requested to pay a budget contribution. For each full member and each founder, at most €40,000 can be assessed per year as budget contribution. The respectively determined budget contribution shall be in the same amount for each founder and each full member. The budget contribution shall be determined by one or more resolutions of the full members and founders. The resolution can be adopted only by a majority of 2/3 of the full members and founders. The resolution can be adopted only on unanimous recommendation by the association board. The resolution shall also contain a payment period.
- 2.6.3 If the payment of any adopted budget contribution is not made within the set payment periods, the Association shall have the right to withdraw the status as full member or founder of the relevant full member or founder, following an unsuccessful request for payment and setting a period of one month by the association board, and informing this member by means of written notice. Sec. 2.6.1, last clause applies analogously. The affected full member or the affected founder shall receive the status as associated member until further notice. If the full member or founder pays the budget contribution in retrospect, plus the statutory interest rate and a flat fee for expenses of EUR 1,500, the status as full member or founder can be re-attained by a resolution of the association board.
- 2.6.4 Any budget contributions not used up shall be transferred to the budget of the following financial year. If activities of the Association generate revenues, these revenues shall be used appropriated for the budget of the current financial year or be considered in the budget of the following financial year.

## **2.7 End of the membership**

- 2.7.1 The membership will end
- a.) by voluntary exit (termination);
  - b.) by dissolution or liquidation of the legal entity;
  - c.) by expulsion of the member.
- 2.7.2 An associated member can exit voluntarily by way of written declaration with a period of three months toward the end of a financial year. The voluntary exit of a full member or founder or the change of a full member into an associated member can take place by way of written declaration with a period of six months toward the end of a financial year.
- 2.7.3 A member can be expelled from the Association, if
- a.) it has damaged the Association or violated its interests in a serious manner;
  - b.) it is in arrears with the payment of fees for more than two months and it has been requested unsuccessfully to make payment in text form according to Sec. 2.6.1;
  - c.) an insolvency procedure has been opened over the assets of the member or it has been filed for the opening of such a procedure;
  - d.) it breaches the duties defined in these Articles of Association or the fees policy and it has not immediately remedied this violation in spite of a corresponding warning;
  - e.) it has violated the duties defined in the compliance guideline;
  - f.) a comparable good cause is constituted in the person of the member, in particular, if the Association suffers from disadvantages due to the membership of the relevant member.
- 2.7.4 If an expulsion is effected, the member shall be given the opportunity to present statements on this; the member shall be requested to do so in writing by the association board, setting an appropriate deadline. The association board shall decide on the expulsion by a resolution, for which any board member having been proposed by the member to be excluded shall not have a voting right. The resolution on the expulsion shall be reasoned in writing and be sent in text form to the member. The member may lodge complaint against the resolution. The complaint shall be submitted in writing to the advisory council within one month from receipt of the resolution. The advisory council shall decide on the resolution in its next meeting.
- 2.7.5 Members shall not hold any claim to the Association's capital or the repayment of contributions on dissolution of the Association or on a downgrade from full member to associated member.
- 2.7.6 If a member leaves the Association, persons having been proposed by this member for bodies, committees or working groups shall lose their offices, unless the association board decides otherwise. An association board member having been proposed by the exiting member shall have no voting right in this decision.

## **2.8 Liability and sanctions**

- 2.8.1 The members shall not be liable for liabilities of the Association.
- 2.8.2 The Association shall not be liable for losses caused to its members by actions or omissions of the Association or its bodies in cases of simple negligence.
- 2.8.3 Following a prior hearing of the party affected, the following sanctions can be imposed on members, who have breached their membership duties or violated provisions of these Articles of Association or other policies of the Association:
- a.) Warnings
  - b.) Suspension from the exercise of offices at the Association
  - c.) Expulsion from the Association
- 2.8.4 The association board shall decide on ordering sanctions by way of resolution. The resolution shall be reasoned in writing and be sent in text form to the member. The member may lodge complaint against the resolution. The complaint shall be submitted in writing to the advisory council within one month from receipt of the resolution. The advisory council shall decide on the resolution in its next meeting.

## **2.9 Intellectual property**

- 2.9.1 The members' meeting shall adopt an IP policy for the handling of intellectual property on proposal by the association board. This policy can prescribe that particular aspects are delegated to the association board according to the principles for organisation defined in the IP policy. The members' meeting can also delegate the adoption of the IP policy on the whole to the association board.
- 2.9.2 The members shall remain the owners of the inventions made by them and the proprietary rights registered or granted for them, as well as the developed know-how including copyrights.

## **3 Section: ORGANISATION OF THE ASSOCIATION**

### **3.1 Bodies**

The bodies of the Association are the members' meeting, the association board and the advisory council. The members of these bodies act in honorary function, but they can be refunded for expenses, which shall be proposed by the advisory council and approved by the members' meeting.

### **3.2 Members' meeting**

- 3.2.1 The supreme body of the Association is the members' meeting. All members shall receive a convening notice for the members' meeting: full members and founders shall each have one vote. A member with voting rights can be represented by granting written power of attorney by another member or a representative of a member, whereas one member may represent at most three further members. Each member can participate with up to two representatives; the association board shall decide on exceptions prior to the beginning of the members' meeting.
- 3.2.2 An ordinary members' meeting shall take place annually, at least once within the first four months after the end of a financial year ("Annual General Meeting"). An extraordinary members' meeting shall be convened when the association board so decides or when the advisory council or at least 25% of the members of the Association so request in writing with a statement of reasons.
- 3.2.3 The members' meeting shall be convened by the association board. The convening notice must be sent in writing or by email at least six weeks before the day of the meeting, stating the agenda, the place and the time. The deadline shall start on the day following to the mailing of the convening notice. A convening notice shall be deemed received by the member if it was directed to the last address/email address having been notified in writing by the member to the Association.
- 3.2.4 The agenda shall be determined by the association board. Founders and full members can request the association board to add further subject matters to the agenda, but not change the Articles of Association, in writing at the latest up until two weeks before the date of the members' meeting. The association board shall decide on additions to the agenda by way of resolution. Complaint is admissible against a rejecting resolution. The advisory council shall decide on such a complaint by way of resolution.
- 3.2.5 The members' meeting shall decide on applications for additions to the agenda, which are presented in the members' meeting. To adopt the application, a majority of three-quarters of the cast and valid votes is required. In deviation from Sec. 3.2.6, the members' meeting shall be authorised to decide on the added agenda item only in the next members' meeting.
- 3.2.6 The members' meeting shall constitute a quorum if it has been convened according to all requirements of form and deadlines and if at least one-half of the members with voting rights are attending or represented according to Sec. 3.2.1 clause 3. If the members' meeting does not constitute a quorum, a second meeting with the same agenda shall be convened in observation of a period of at least four weeks, which shall then constitute a quorum regardless



of the number of appearing members. This shall be expressly pointed out in the convening notice.

- 3.2.7 The members' meeting shall generally adopt its resolutions by a simple majority of the appeared or represented parties with voting rights (founders and full members), insofar as these Articles of Association do not provide for other majorities. Abstentions shall be deemed votes not cast. In the case of a tied vote, the application shall be deemed rejected. The following applies to elections: If no candidate has reached the majority of the cast votes in the first election, a run-off election between the candidates, who have received the highest number of votes, shall be held.
- 3.2.8 The handling of the procedure for elections and votes can be defined in more detail in an election and voting policy.
- 3.2.9 Minutes shall be recorded of each members' meeting, which shall be signed by the meeting chairperson of the meeting and the recorder of minutes.
- 3.2.10 The members' meeting shall draft the guidelines for the work of the Association and decide questions of general importance. The responsibilities of the members' meeting include, in particular:
- a.) Election of the association board (in observation of the veto right of the advisory council);
  - b.) Acceptance of accountability reports from the association board and the advisory council;
  - c.) Approval of the actions by the association board and the advisory council in the previous year;
  - d.) Determination of the expense refund according to Section 3.1;
  - e.) Adoption of the fee policy according to Section 2.6.1 and adoption of any budget contribution according to Section 2.6.2;
  - f.) Adoption of the compliance policy according to Section 2.1.4;
  - g.) Review and determination of further association policies, such as election and voting policy, bylaws; if other bodies of the Association have issued such policies by operation of their competency, these can be reviewed and modified by the members' meeting;
  - h.) Requirements for association committees and working groups to be installed by the association board;
  - i.) Election of a professionally qualified person as auditor;
  - j.) Adoption of a resolution on changes to the Articles of Association and on the dissolution of the Association;
  - k.) Further responsibilities, which are conferred to the members' meeting by law or these Articles of Association.
- 3.2.11 In matters falling within the responsibility of the association board or the advisory council, the members' meeting can decide on recommendations to these bodies. The association board and the advisory council, on their part, can request the opinion of the members' meeting in matters falling within their area of responsibility.
- 3.2.12 A member can participate in the members' meeting:
- a. by attendance at the assembly location, or
  - b. without attendance at the assembly location by using an option to exercise its related member rights by way of electronic communication, in particular by way of a video conference.

Instead of participating in the members' meeting, a member can submit its vote in text form to the association board prior to the holding of the members' meeting, which will include the vote in the corresponding voting process.

The convening notice shall point out the possibility pursuant to Sec. 3.2.12, clause 1, lit. b) – if the association board provides such possibility – and the possibility pursuant to clause 2.

3.2.13 Outside of the members' meeting, the members can also decide by way of circular procedure according to Sec. 1.5. A members' resolution shall be held equal to a resolution by the members' meeting. Sec. 3.2.1, clauses 1 and 3, Sec. 3.2.3 clause 4, Sec. 3.2.7 and Sec. 3.2.9 shall apply accordingly.

### **3.3 Association board**

3.3.1 The association board is composed of at least six people, among them the first chair, the second chair, the chancellor, the recorder of minutes and two further members, and moreover up to four additional persons. The association board shall elect the holders of the individual board functions from its ranks. The association board – subject to the veto right pursuant to Section 3.3.2 – shall be elected for the period of two years from the members' meeting, calculated as of the day of the election. The association board shall remain in office until a new association board is appointed in accordance with the Articles of Association. If a member of the association board exits during the period in office, the advisory council shall appoint a substitute member for the remaining term of the person having resigned.

3.3.2 The appointment of each association board member requires the unanimous agreement of all founders (veto right). If an association board member elected by the members' meeting is rejected by a founder, the members' meeting must elect a different candidate. The elected alternate candidate can also only be rejected by a founder. Each veto right must be declared on the record in the course of the members' meeting.

3.3.3 In deviation from Section 3.3.1 and 3.3.2, the founding board shall be constituted by delegation of respectively one person by the founders. The founding board shall therefore consist of 6 (six) persons; it has a term in office of three years. The association board shall elect the holders of the individual board functions from its ranks.

3.3.4 The association board shall manage the business of the Association. It is responsible for all matters relating to the Association, unless they are assigned to another body of the Association by way of the Articles of Association or compulsory legal regulations. In particular, the association board shall have the following tasks:

- a.) Preparation, convening and management of members' meetings, including the drafting of the agenda or, if applicable, the organisation of members' resolutions by way of circular procedure;
- b.) Execution of the resolutions of the members and of the members' meeting;
- c.) Proposal of the budget for each financial year; accounting, drafting of the annual financial report;
- d.) Proposal of Association policies such as, in particular, the membership fee policy or the bylaws and IP policy;
- e.) Conclusion and termination of employment contracts of the employees of the local office;
- f.) Determination of the composition and tasks of the committees and working groups, respectively with consultation of the advisory council;
- g.) Exercise of tasks that are conferred on it by the advisory council or the members' meeting;
- h.) Implementation of all measures expedient for the purposes of the Association.

The association board is obligated to obtain the opinion of the association board ahead of time on all important matters.

3.3.5 The Association shall be represented in and out of court by at least two members of the association board (joint representation). The approval of the advisory council is required for the following legal transactions:

- a.) Legal transactions with a (gross) business value of more than EUR 100,000;
- b.) Entering obligations for terms of more than four years.

3.3.6 The association board shall generally adopt its resolutions in the board meetings, which are convened by the first chair and, in case of his/her prevention by the second chair, in writing, by

fax or email. In any case, a convening notice of two weeks is to be observed and a preliminary agenda shall be informed. Each board member can be represented in the board meeting by a representative authorised in writing, provided that conflicts of interest of the representative arising from his/her other activity are excluded. The association board shall constitute a quorum when all members are attending or duly represented or if they are joining the remaining participating members by way of a video conference software. If the association board does not constitute a quorum, a second meeting with the same agenda shall be convened in observation of a period of at least four weeks, which shall then constitute a quorum regardless of the number of appearing members or members of the association board joining the other participating members by means of a video conference software. This shall be expressly pointed out in the convening notice.

The first chair and the second chair, in case of his/her prevention, shall preside over the meeting of the association board. The majority of the valid cast votes shall decide on adopting resolutions and each association board member shall have one vote. The resolutions of the association board shall be documented for evidentiary purposes and be signed by all attending association board members.

The minutes shall state the place and time of the association board meeting, the names of participants, the content of the adopted resolutions and the result of voting. An association board resolution may be adopted in circular procedure according to Sec. 1.5.

- 3.3.7 The term in office of an association board member shall end
- a.) by dissolution or liquidation of the legal entity;
  - b.) by expiration of the term in office;
  - c.) by resignation from the appointment to the association board by written notification to an association board member;
  - d.) by resolution of the members' meeting in the event of a culpable violation of essential duties incumbent on the association board pursuant to the law and these Articles of Association; the resolution requires a three-quarter majority of the attending or represented members;
  - e.) by the exit of the member who has delegated the association board member pursuant to Sec. 3.3.3.

### **3.4 Advisory council**

- 3.4.1 The advisory council is composed of 7 members. Each founder shall have the right to delegate and dismiss one advisory council member. Only persons can be delegated to the advisory council, if conflicts of interest from any other activity of the persons delegated to the advisory council are excluded at all times. Upon an objection raised by a founder against a delegated person, the delegating founder shall cure the conflict of interest within three months or delegate a different person. If a founder exits as a member from the Association or loses its status as founder, also the member delegated by it to the advisory council shall automatically exit. In that case, the remaining advisory council members shall elect a new member of the advisory council. Clause 4 applies analogously. On the election, the term in office of the elected member shall be determined. The advisory council members shall elect a chair and a deputy chair from their ranks.
- 3.4.2 The advisory council shall be responsible for the following measures and legal transactions:
- a.) Approval of the budget;
  - b.) Advising of the association board with regard to the installation and dismissal of committees and working groups, as well as decisions on their staffing and definition of tasks;
  - c.) Approval of legal transactions in the definition of Section 3.3.5 clause 2;
  - d.) Fulfilment of reporting and information requirements in relation to the association board and the members' meeting;
  - e.) Approval of the appointment of a managing director;
  - f.) Appointment of the auditor;
  - g.) All other measures and legal transactions assigned to it under these Articles of Association.

- 3.4.3 The advisory council shall determine the number of its ordinary meetings in corresponding bylaws. Furthermore, it shall convene on request by the association board or one of the advisory council members. The convening notice shall be sent by the chair and, in case of his/her prevention by another advisory council member, in writing, by fax or email with a period of at least two weeks and including the agenda. Each advisory council member can be represented in the advisory council meeting by a representative authorised in writing, provided that conflicts of interest of the representative arising from his/her other activity are excluded. The advisory council shall constitute a quorum when all members are attending or duly represented or if they are joining the remaining participating advisory council members by way of a video conference software. If the advisory council does not constitute a quorum, a second meeting with the same agenda shall be convened in observation of a period of at least four weeks, which shall then constitute a quorum regardless of the number of appearing advisory council members. This shall be expressly pointed out in the convening notice. The chair and the deputy chair, in case of his/her prevention, shall preside over the meeting of the advisory council. The majority of the valid cast votes shall decide on adopting resolutions and each advisory council member shall have one vote. The resolutions of the advisory council shall be documented for evidentiary purposes and be signed by all attending advisory council members. The minutes shall state the place and time of the advisory council meeting, the names of participants, the content of the adopted resolutions and the result of voting. An advisory council resolution can be adopted by way of written procedure. This requires that all advisory council members have agreed to the written resolution procedure. The advisory council can adopt resolutions by way of circular procedure according to Sec. 1.5.

### **3.5 Committees and working groups**

- 3.5.1 Committees and working groups shall advise and support the association board and the advisory council on the tasks assigned to them. The composition and the tasks of association committees and working groups shall be determined by the association board in observation of the requirements of members' meeting.
- 3.5.2 Committees and working groups shall be constituted by the association board in consultation with the advisory council, for the purpose of organising and coordinating certain defined subject matters. Both permanent committees as well as project-specific working groups can be constituted.
- 3.5.3 The full members in committees and working groups shall elect a chair from their ranks. For resolutions to be adopted by committees, the provisions of these Articles of Association relating to the association board shall apply analogously, unless determined otherwise in special voting policies or bylaws.
- 3.5.4 Committees and working groups can also adopt resolutions pursuant to Sec. 1.5.

### **3.6 Managing directors**

With the prior agreement of the advisory council, the association board shall appoint a managing director for the organisation and management of the association's work. In relation to the managing director, the members of the association board shall be empowered to give instructions. The managing director can receive appropriate remuneration. The staffing and delegation of responsibilities require the prior agreement of the advisory council.

### **3.7 Auditing**

The advisory council shall appoint a person elected by the members' meeting as the auditor, who is not a member of the Association. The annual financial report shall be presented for each financial year ended.

## **4 Section: FINAL PROVISIONS**

### **4.1 Changes to the articles of association, dissolution of the Association and entitlement to proceeds**

- 4.1.1 The members' meeting shall decide on changes to the Articles of Association, changes of the purposes of the Association and the dissolution of the Association. Proposals on changes to the Articles of Association or dissolution of the Association shall be sent to the members at the latest six weeks before the relevant members' meeting. A majority of three-quarters of the members appearing or represented by voting rights and the approval of the advisory council are required for the adoption of resolutions on changes to the Articles of Association and the dissolution of the Association. Abstentions shall be deemed votes not cast.
- 4.1.2 The dissolution of the Association can be resolved only by a members' meeting convened specifically for this purpose. The voting on the dissolution shall be held secretly by written procedure. Unless the members' meeting decides otherwise, the first chair and the second chair of the association board shall act jointly as liquidators with power of representation. These provisions shall apply accordingly if the Association is dissolved for any other reason or if loses its legal capacity in any other way.
- 4.1.3 If the Association is liquidated, the Association's assets, after repayment of any unused budget contributions, shall be remitted to the members of Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e.V. [Fraunhofer Society for the Promotion of Applied Research], who pay budget contributions and who shall appropriate them exclusively and directly for research and development in the field of radio communication.

### **4.2 Bylaws**

For the enforcement of the Articles of Association and for an improved arrangement of the Association's matters, the Association can adopt bylaws and policies such as an election and voting policy, a fee policy, bylaws or committee/working group rules. These bylaws are not part of the Articles of Association.

### **4.3 Necessary changes to the Articles of Association**

In deviation from Section 4.1.1 and additionally, Section 4.1.3, the association board is empowered to adopt such changes to the Articles of Association upon which the registry court makes the registration of the Association contingent. The changes resolved by the association board in this way shall be notified to the members afterward without delay.

### **4.4 Severability clause**

If one or more clauses of these Articles of Association and their or the Association's related policies should be invalid, the validity of the Articles of Association and/or the policy in the remaining part shall not be affected thereby. The invalid clause shall be replaced by a valid one, which comes closest to what the members have intended.

### **4.5 Applicable law and place of jurisdiction**

On joining the Association, the members recognize the applicability of the law of the Federal Republic of Germany to all disputes relating to these Articles of Association, its policies and to the Association. All disputes shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Place of Arbitration shall be Nuremberg, Germany.