

Articles of Association

- Convenience Translation - Only the German version shall apply –

§ 1 Name, Registered Office, Financial Year

- (1) The association shall be named "Industrial Digital Twin Association". It shall be entered in the register of associations; after registration the name shall be "Industrial Digital Twin Association e.V.".
- (2) The association shall have its seat in Frankfurt a.M, Germany.
- (3) The financial year of the association is the calendar year. The first financial year shall be a short financial year.

§ 2 Purpose, Non-profit Status

- (1) The association exclusively and directly pursues charitable purposes in the meaning of the section "tax-privileged purposes" of the German tax code ("AO"). It is selflessly active and does not primarily pursue its own commercial purposes.
- (2) Purpose of the association is the promotion of science and research (Sec 52 (2) No. 1 AO)
- (3) The purpose of the statutes is implemented in particular by
 - Promotion of cooperation between science, research and industry for open development (open source technology development), implementation and use of the Asset Administration Shell as an open interface between physical and virtual products, systems, applications and/or facilities (Digital Twin for Industry 4.0);
 - Cooperation with institutes, universities and other research institutions that conduct research to develop competitive solutions for Industry 4.0;
 - Support of the distribution and internationalization of development results through cooperation with partner organizations, in particular other national and international associations, initiatives and consortia in the field of Industry 4.0, Interoperability and the Industrial Internet of Things, as well as standardization development organizations;
 - Promotion of scientific publications and publication of the results of research, development and implementation of the solutions for Industry 4.0 and the Asset Administration Shell;
 - Promotion of education, further education and qualification through colloquia, scientific conferences, further education, seminars and training courses with members and professional circles, which serve the above-mentioned purposes of the statutes.
- (4) The association is committed to consistent compliance with national and European laws, such as and in particular antitrust law and works exclusively in accordance with these regulations.
- (5) The general meeting decides on a binding code for the governing of intellectual property rights (including patents and other industrial property rights, copyrights and know-how) (IPR policy).
- (6) Funds of the association may only be used for the statutory purposes. The members shall not receive any allowances from funds of the association.
- (7) No person shall be favoured by expenses that are not in line with the purpose of the association or by a disproportionately high remuneration.
- (8) In case of dissolution or cancellation of the association or in case of loss of tax-privileged purposes, the assets of the association shall be transferred to other tax-privileged bodies, namely in equal parts to the Forschungskuratorium Maschinenbau e.V. and the Forschungsvereinigung Elektroindustrie e.V., for the purpose of use for the support of science and research.

§ 3 Acquisition of Membership

- (1) The association shall consist of ordinary and extraordinary members.
- (2) Ordinary members may be companies and associations from the electrical, mechanical engineering and other sectors of the economy being active in Industry 4.0 and the Asset Administration Shell.
- (3) Extraordinary members may be individuals, legal entities and associations of individuals who are interested in the development and promotion of Industry 4.0 and the Asset Administration Shell and who do not meet the criteria for ordinary membership.
- (4) Acquisition of membership shall be conditional upon a written application for admission, which has to be addressed to the board of directors.
- (5) The board of directors decides on the application for admission at its free discretion. If the application is rejected, the board of directors is not required to inform the applicant of the reasons for the rejection.

§ 4 Termination of Membership

- (1) The membership shall end by death, exclusion, deletion from the membership list, loss of legal capacity, opening of insolvency proceedings or withdrawal from the association.
- (2) Withdrawal shall be made by written declaration to the chairman or deputy chairman and may only be declared with three months' notice period to the end of a financial year.
- (3) A member may be excluded from the association by resolution of the board of directors if the member is in delay with the payment of membership fees or levies despite two written reminders. The exclusion may only be decided upon if two months have elapsed since the second reminder was sent and the exclusion was threatened in this reminder. The decision of the board of directors regarding the exclusion shall be communicated to the member.
- (4) A member may be excluded from the association by resolution of the board of directors in case the member culpably violates the interests of the association in a gross manner. Prior to such resolution is passed, the board of directors have to give the member the opportunity to make an oral or written statement. The decision of the board of directors must be justified in writing and sent to the member. The member may appeal against the decision to the general meeting. The appeal must be lodged within one month after receipt of the resolution before the board of directors. Until the decision of the general meeting, the membership rights of the excluded member shall be suspended in this case. The board of directors shall submit the appeal to the next general meeting, which shall make the final decision regarding the exclusion. In case the member does not make use of the right to appeal against the exclusion resolution or if the member misses the aforementioned deadline for appeal of one month after receipt of the resolution, the member submits to the exclusion resolution with the consequence that the membership is considered terminated.

§ 5 Membership Fees

- (1) An admission fee may be charged upon admission to the association. In addition, annual fees are charged to members. For the financing of special projects, levies may be levied.
- (2) Amount and due date of admission fees, annual fees and levies shall be determined by the general meeting in a fee schedule upon proposal of the board of directors.

§ 6 Rights and Duties of Members

- (1) Ordinary members are entitled to participate in the events of the association, to use the facilities of the association and to participate in all activities of the association which serve the purpose of the statutes according to § 2 paragraph 3. Each full member has one vote in the general meeting.
- (2) The extraordinary members are entitled to use the facilities of the association, to participate in the events of the association and to be informed about the status of the activities of the association which serve the purpose of the statutes according to § 2 (3). They take part in general meetings in an advisory capacity.
- (3) Every member shall behave in accordance with the statutes and the further rules of the association. All members are obligated to mutual consideration.

§ 7 Bodies of the Association, Limitation of Liability

- (1) Bodies of the association shall be the board of directors and the general meeting.
- (2) The performance of the function of the board of directors shall require that the person concerned represents a full member.
- (3) As far as legally permissible, the liability of the association, its members and bodies shall be limited internally to intent and gross negligence.

§ 8 Board of Directors

- (1) The association's board of directors shall consist of the chairman, the deputy chairman, the treasurer and up to 10 other members. The actual number of members of the board of directors shall be decided by the general meeting upon proposal of the board of directors.
- (2) The board of directors in terms of Sec. 26 German Civil Code ("BGB") shall be the chairman, the deputy chairman and the treasurer. The association shall be represented by two members of the board of directors in terms of Sec. 26 BGB.
- (3) The board of directors shall perform its duties on an honorary basis.
- (4) The members of the board of directors shall only be liable to the association for intentional or grossly negligent behaviour. If claims are asserted against members of the board of directors by third parties due to their board activities, the association shall indemnify the board member concerned against such claims, provided that the board member did not act with intent or gross negligence.

§ 9 Responsibility of the Board of Directors

The board of directors shall be responsible for all matters of the association, as far as they are not transferred by the statutes to the general meeting. It shall have in particular the following tasks:

- a. Preparation and convening of the general meeting as well as setting up the agenda;
- b. Execution of resolutions of the general meeting;
- c. Preparation of the budget, financial plan, accounting, preparation of the annual report;
- d. Resolution on the admission of members and their exclusion;
- e. Appointment of one or more managing directors;
- f. Appointment of the members of the board of trustees and adoption of rules of procedure for the board of trustees.

§ 10 Right of Nomination, Election and Term of Office of the Board of Directors

- (1) The joint right of nomination for the chairman and the deputy chairman shall rest with the founding members VDMA e.V. and ZVEI e.V., provided they are members of the association at the time of election. If only one of the founding members is a member of the association at that time, this founding member alone shall have the rights mentioned in this paragraph.
- (2) The board of directors shall be elected by the general meeting for a period of three years, counted from the election. It shall remain in office however until a new board of directors has been elected. Each member of the board of directors shall be elected individually. The re-election shall be permissible.
- (3) If a member of the board of directors resigns prematurely, the board of directors may elect a successor for the remaining term of office of the resigning member. The right of nomination according to paragraph (1) shall also apply in this case.

§ 11 Meetings and Resolutions of the Board of Directors

- (1) The board of directors shall decide in meetings convened by the chairman or, in the chairman's absence, by the deputy chairman. The notice period for convening a meeting shall be ten days. The period of notice shall start on the day following dispatch.
- (2) The board of directors shall have a quorum if at least three of its members are present. Resolutions shall be passed by a majority of the valid votes cast; in the event of a tie, the chairman shall have the casting vote, in his absence the deputy chairman.
- (3) The board of directors may adopt resolutions by written or electronic procedure if all members of the board of directors agree.

§ 12 Board of Trustees

- (1) The board of directors may appoint suitable persons for a board of trustees for a period of three years; reappointment shall be permitted. The board of trustees may include members or their representatives, scientists, experts in the field and personalities from politics or administration.
- (2) The board of trustees shall have a quorum if at least four members are present. Resolutions shall be passed by a majority of votes; in the event of a tie, the chairman shall have the casting vote, in his absence the deputy chairman. For the meetings and resolutions of the board of trustees, § 11 of the statutes shall apply accordingly.
- (3) The board of trustees shall meet at the invitation of the chairman. The board of trustees may participate and speak.

§ 13 Responsibility of the Board of Trustees

The board of trustees shall advise the board of directors on fundamental and strategic issues, in particular on the following matters:

- a. Communication in political, social and scientific environments;
- b. Planning and initiation of co-operations with potential partner organizations, especially other international associations, associations, initiatives and consortia in the field of Industry 4.0, Interoperability and the industrial Internet of Things;
- c. Comparison of new research results from the university environment with the current status of open technology development, implementation and use of the Asset Administration Shell.

§ 14 General Meeting

- (1) Each full member shall have one vote in the general meeting. Another full member may be authorized in writing to exercise the right to vote. The power of attorney shall be issued separately for each general meeting; however, a full member shall not represent more than two other votes.
- (2) The board of directors may hold virtual general meetings instead of physical general meetings or may permit members to attend a physical general meeting virtually. The decision and the access data shall be announced in the invitation to convene the general meeting.
- (3) The general meeting shall be responsible for the following matters:
 - a. Approval of the financial and budget plan for the next financial year prepared by the board of directors;
 - b. Receipt of the annual report of the board of directors;
 - c. Discharge of the board of directors and the managing directors;
 - d. Determination of the admission fees, membership fees and levies (Sec. 5);
 - e. Election of the members of the board of directors and their dismissal for good cause;
 - f. Resolution on the amendment of the statutes and on the dissolution of the association;
 - g. Resolution on the appeal against an exclusion resolution of the board of directors.

§ 15 Convening of the General Meeting

- (1) The ordinary general meeting shall take place once a year. It shall be convened by the board of directors in text form with a notice period of two weeks, stating the agenda. The notice period shall begin on the day following the dispatch of the invitation. The invitation shall be deemed to have been received by the member if it is sent to the last address notified to the association in writing by such member. The agenda shall be set by the board of directors. The general meeting may also be convened by publication on the association's homepage; in this case, a period of two weeks beginning with the day after publication shall equally be observed.
- (2) Each member may request an amendment to the agenda in text form from the board of directors at least one week before a general meeting. The chairman of the meeting shall announce the amendment at the beginning of the general meeting.
- (3) The meeting shall decide on applications for amendments to the agenda that are made at general meetings.

§ 16 Extraordinary General Meeting

An extraordinary general meeting shall be convened by the board of directors in text form with a notice period of two weeks, stating the agenda, if the interest of the association requires it or if one tenth of the members, but at least five members, apply for this in text form to the board of directors, stating the purpose and reasons.

§ 17 Resolution of the General Meeting

- (1) The general meeting shall be chaired by the chairman of the board of directors, in the chairman's absence by the deputy chairman or the treasurer. If no member of the board of directors is present, the meeting shall determine the chairman of the meeting. In the case of elections, the chairmanship of the meeting may be delegated for the duration of the election and the preceding discussion to an election committee. The chairman of the meeting appoints a keeper of the minutes.
- (2) The type of voting shall be determined by the chairman of the meeting. The vote shall be carried out in writing upon the request of one third of the members present who are entitled to vote.
- (3) The general meeting shall have a quorum regardless of the number of members present and entitled to vote. This has to be pointed out in the invitation.
- (4) The general meeting passes resolutions with a simple majority of the valid votes cast; abstentions shall be considered invalid votes. However, a majority of three quarters of the valid votes cast shall be required to amend the statutes.
- (5) In elections, anyone who has received more than half of the valid votes cast shall be elected. If no one has received more than half of the valid votes cast, a run-off vote shall be held between the two candidates who received the most votes. The candidate who has received the most votes shall then be elected. If the number of votes is equal, the lot to be drawn by the chairman of the meeting shall decide.
- (6) Minutes shall be taken of the general meeting's resolutions, which shall be signed by the respective secretary and the chairman of the meeting.

§ 18 Appointment and Tasks of Management

- (1) Subject to agreement with the founding members VDMA e.V. and ZVEI e.V., the board of directors may appoint one or more managing directors as special representatives in the meaning of Sec. 30 BGB. The respective scope of duties and the scope of a managing director's power of representation shall be determined upon appointment.
- (2) The managing director(s) shall be accountable to the board of directors and the general meeting.
- (3) The managing director(s) shall be entered in the register of associations stating their restriction of power of representation.
- (4) The management conducts the ordinary business of the association and shall be responsible in particular for financial, organizational and personnel matters.

§ 19 Dissolution of the Association

- (1) The dissolution of the association may only be decided in a general meeting with a majority of three quarters of the valid votes cast.
- (2) Unless the general meeting decides otherwise, the chairman and the deputy chairman shall jointly be authorized liquidators.
- (3) The assets available after the end of the liquidation shall be transferred to the charitable institutions named in § 2 paragraph 8.

Frankfurt am Main, September 23rd 2020