



**Articles of Association
of the IDSt**

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§ 1 Name, Seat, Jurisdiction, Fiscal Year

- (1) The name of the association shall be "Institute for Digitization in Tax Law" (hereinafter: "The Institute"). It shall be recorded in the commercial register and, after registration, shall bear the addition "e.V."
- (2) The seat of the Institute shall be Berlin. The place of jurisdiction of the Institute shall be Berlin-Charlottenburg; this place of jurisdiction shall also apply to all disputes between the Institute and its members as well as between the bodies of the Institute and its members or the Institute itself.
- (3) The fiscal year is the calendar year.

§ 2 Purpose

- (1) The purpose of the Institute is the "promotion of education, national education and vocational training including student assistance" and the "promotion of science and research", both in the field of digitization as one of the most important tasks for the future of the Federal Republic of Germany. The Institute focuses on the area of tax and duty law, without being limited to this area of law. This applies in particular to digital application processes of taxpayers and the administration with regard to the taxation procedure, but also to the practical and automation-oriented (further) development of legal regulations. The Institute supports the discussion on tax law, especially between political functionaries, tax lawyers, members of the tax consulting professions, judges, administrators, persons active in research and teaching, and other persons active in the field of taxation. In addition, the institute can support in

the field of digitization in tax law other non-profit organizations or corporations under public law.

- (2) The purposes of the statutes are realized in particular by:
 - (a) the realization of scientific events;
 - (b) the systematic review and development of digital standards in the taxation process;
 - (c) own research or by awarding research contracts in the field of digitization of tax law;
 - (d) providing expert advice and information to e.g. ministries, authorities, associations, etc. with regard to the automation-friendliness of tax legislation;
 - (e) the development of educational standards for teaching;
 - (f) the issuance of freely accessible publications as well as the timely publication of the research results of the association;
 - (g) the professional education and information of the public, among other things as a contact for the media.
- (3) The Institute shall exclusively and directly pursue non-profit purposes within the meaning of the section "Tax-privileged purposes" of the German Fiscal Code. The Institute shall act selflessly and it does not primarily pursue its own economic purposes.
- (4) The funds of the Institute, including any profit, may only be used for the purposes according to the statutes. The Institute may not favor any persons by expenses, which are not corresponding to the purpose of the Institute, or by disproportionately high remuneration. Members shall not receive any benefits from the Institute's funds.
- (5) The Institute is independent of political and economic interests.

§ 3 Membership

- (1) Natural persons, legal entities and associations of persons, who are active in the field of digitization in tax law or in other areas of law or, who have a recognizable interest in this field, may become members of the Institute. The Institute shall decide on the admission of new members. It may only refuse to accept new members for objective reasons and in a non-discriminatory manner, e.g. if it can be assumed that they will not support the purpose of the association.
- (2) The Executive Board decides on the admission after a written application. Honorary membership is possible by resolution of the Executive Board. With the application for membership the member acknowledges the statutes of the Institute.
- (3) Membership ends through:
 - (a) the death of the natural person;
 - (b) the dissolution or extinction of the legal person or association of persons;
 - (c) the termination of membership, which must be communicated in writing to the Executive Board. It can only take place at the end of the calendar year, whereby a notice period of three months must be observed. The date of receipt of the letter of termination by the Institute shall be decisive for compliance with the time limit;

- (d) exclusion from the Association. A member may be expelled if his or her conduct grossly violates the interests of the Institute. This is particularly the case if the payment of the membership fee is overdue by one month after sending a second reminder. The Executive Board decides on the exclusion by resolution. Before the resolution is passed, the member must be given the opportunity to comment on the intended exclusion. The member shall be notified of the exclusion in writing, stating the reasons.
- (4) All members have the right to participate in the General Meeting of the Institute, to exercise the right to vote and to submit motions. As long as a member is in arrears with the payment of his contribution, his membership rights shall be suspended. The member has no right to vote during the period of arrears, he/she may not attend General Meetings or other events of the Institute, such as seminars. Honorary members have no voting rights.

§ 4 Membership fees

- (1) Annual membership fees shall be charged to members. The membership fees are due on 31.01. of the calendar year.
- (2) The amount of the membership fees shall be regulated by contribution rules. The membership fees may be set at different levels for different groups of members or the membership may be made non-contributory. Differentiations can be made in particular for the following groups:
 - (a) Authorities, governmental organizations, and universities
 - (b) Natural persons;
 - (c) associations, top organizations, self-governments, professional and other representative bodies and other associations;
 - (d) Commercial enterprises;
 - (e) Consulting firms.
- (3) Natural persons, who are employed by a member of other contribution groups or have entered into membership on its behalf, shall first be assigned to this contribution group. Any further natural person working in this sense for the same employer shall be treated as such.

§ 5 Organs of the Institute

Organs of the institute are:

- (1) the General Meeting according to § 6;
- (2) the Executive Board according to § 7;
- (3) the Advisory Board according to § 8;
- (4) the management according to § 9.

§ 6 General Meeting

- (1) The ordinary General Meeting shall be held once a year, as soon as the statement of accounts for the previous fiscal year is available. In addition, extraordinary General Meetings shall be convened by the Chairman of the Board or, if applicable, by one of his Meetings, if the interests of the Institute so require. The meeting must be convened if at least one third of the members request this in writing, stating the reasons.
- (2) The General Meeting shall be convened by the Chairperson of the Executive Board or, if applicable, one of his or her or deputies, giving at least four weeks' notice and enclosing the agenda. The meeting may be convened in writing or by e-mail. The period shall commence on the day following the dispatch of the invitation letter. The letter of invitation shall be deemed to be received by the members, if it has been sent to the last contact address (postal address or e-mail address) provided to the Institute. The agenda shall be announced with the invitation.
- (3) The agenda shall be supplemented, if a member requests this in writing or by e-mail not later than one week before the scheduled date. The addition shall be announced to the members in writing or by e-mail immediately, at the latest by the third day before the meeting.
- (4) Motions concerning the election of the Executive Board, individual members of the Executive Board or amendments to the Articles of Association that have not already been sent to the members with the invitation to the General Meeting, may only be decided at the next General Meeting.
- (5) The General Meeting is responsible in particular for:
 - (a) the amendment of the Articles of Association in accordance with § 12;
 - (b) the election of the members of the Executive Board, as far as they are elected in accordance with § 7 para 3;
 - (c) the discharge of the Executive Board and the determination of the proper record of the income and expenditure (statement of accounts) in accordance with § 7 para. 4;
 - (d) the appointment of the auditors according to § 11;
 - (e) the passing of resolutions on the dissolution of the Institute pursuant to § 14, as well as other tasks, as far as these result from the statutes or the law
- (6) The General Meeting shall be chaired by the Chairman of the Executive Board or, in the event of his prevention, by one of his deputies, and if he is prevented or no deputy has been elected, by another member of the Executive Board. Voting shall be by open ballot unless statutory provisions do not conflict with this. Each member has one vote. The voting right may only be exercised in person or, if the member is personally prevented from voting, by transferring the right to vote to another member upon presentation of a written power of attorney, whereby a member may represent a maximum of three other members. Members may also be represented by a legal representative, an authorized signatory or one of their own employees with written power of attorney.
- (7) Voting shall be decided by a simple majority of the votes cast, unless these Articles of Association provide otherwise. Abstentions and invalid votes shall not be taken into account. In the event of a tie, the proposed resolution shall be deemed rejected.

- (8) The General Meeting shall take place as determined by the Executive Board in real and/or virtual form via electronic means of communication. If the General Meeting is also held virtually by means of electronic communication, the Chairperson of the Executive Board or one of his or her deputies shall specify in the invitation the procedure by which the voting rights have to be exercised.
- (9) The secretary shall prepare a record of the results of the resolutions of the General Meeting, which shall be signed by the chairperson of the meeting and the secretary. The secretary is responsible for (keeping) the minutes. The minutes shall be made available to the members.

§ 7 The Executive Board

- (1) The Executive Board shall consist of the Chairperson, up to two Vice-Chairpersons if necessary, the Chairpersons of the Expert Committees and other members. The other members shall contribute to a balanced representation of the membership in the Board. As of the second election period after the founding of the Institute, they may not exceed the number of the Expert Committees. The Chairperson and, if applicable, the Vice-Chairpersons shall be elected by the Board from among its members. The Executive Board also appoints a Treasurer from among its members.
- (2) The Chairperson of the Executive Board and, if applicable, his or her Deputy(s) shall be the Executive Board within the meaning of Section 26 of the German Civil Code (BGB). They represent the Institute judicially and extrajudicially. Each member of the Executive Board shall always represent the Institute individually.
- (3) The members of the Executive Board shall be elected by the General Meeting for a term of three years. The previous Executive Board shall remain in office until the election of a new Executive Board. Only natural persons, who are either members of the Institute themselves or who work for a member of the Institute in accordance with § 4 para. 2, are eligible for election. If the membership in the Institute ends, the office as a member of the Executive Board also ends, unless the Executive Board decides otherwise by resolution. The same applies if the activity of the board member ends at the institute member, even if the board member himself is or becomes a member of the Institute. If members of the Executive Board resign during the election period, the Executive Board shall be entitled to appoint a substitute member until the next General Meeting. Sentences 4 to 6 do not apply to the chairperson and his/her deputy(s). During the current term of office, the members of the Executive Board - but not the Chairperson and his/her deputy(s) - may be supplemented by resolution of the Executive Board in order to achieve a balanced representation of the membership. Chairpersons of the Expert Committees are members of the Executive Board by virtue of their office. The members of the Executive Board may be re-elected - not only once.
- (4) The Executive Board shall be responsible for all matters of the Institute, unless it is provided otherwise in these Statutes. It shall be entitled to make all decisions which, by their nature, arise from (the nature of) the Institute's purpose and the supervision of current business. The Treasurer manages the Institute's treasury and keeps proper records of all income and expenditure. He shall submit the accountability report to the General Meeting after auditing by the respective elected auditors.
- (5) In order to deal with special issues, the Executive Board may establish Expert Committees and set up working groups to deal with current individual problems.

- (6) The meetings of the Executive Board shall be convened and chaired by the Chairman of the Executive Board. In the event that he is unable to do so, a deputy chairman of the Board may convene the meeting. The Executive Board must be convened if at least three members of the Board request this. The Executive Board constitutes a quorum if at least half of its members participate in the passing of resolutions. Resolutions may be passed in writing or by telephone. Resolutions shall be adopted by a simple majority. In the event of a tie, the vote of the Executive Board member chairing the meeting shall be decisive. Minutes shall be taken of each meeting and signed by the chairperson and the secretary. The secretary is responsible for keeping the minutes. If, at the request of at least one member of the Executive Board, a meeting of the Executive Board takes place without the Managing Director, the Executive Board shall appoint a secretary from among its members.
- (7) The members of the Executive Board shall in principle work on an honorary basis. The Executive Board may grant the Chairperson of the Executive Board appropriate remuneration for the performance of his or her duties, which shall be based on that of the Managing Director, taking into account the work performed and the results achieved. The Executive Board may adopt itself rules of procedure.

§ 8 Advisory Board

- (1) The Executive Board is entitled to appoint an Advisory Board for the duration of its respective term of office. The Advisory Board shall advise the Executive Board on the fulfillment of the purposes of the Association. The members of the Advisory Board do not have to be members of the Institute and shall be appointed by the Executive Board. Reappointment - not only once - is permissible.
- (2) The Advisory Board shall meet together with the Executive Board at the latter's proposal. It may be convened by the Chairperson of the Advisory Board within four weeks' notice in writing or by e-mail. The period shall commence on the day following the dispatch of the invitation letter or e-mail.

§ 9 Management

- (1) The Management Board shall be responsible for the day-to-day business of the Institute on behalf of the Executive Board. The Management shall consist of a managing director, who shall be a regular guest without voting rights at the meetings of the Executive Board and may be supplemented by a deputy managing director. The management shall be appointed by the Executive Board. Further details may be regulated by the Executive Board by means of rules of procedure. In particular, the Executive Board may grant the Managing Director appropriate remuneration for the performance of his duties.
- (2) The Executive Board may decide to provide the Management Board with an office to carry out its duties. The staff of the office shall be employed by the Executive Board subject to the approval of the Chairman of the Executive Board.

§ 10 Expert Committees

- (1) In order to take account of the different focal points of the topics, the Executive Board may set up Expert Committees as required. The established Expert Committees shall assist the Executive Board in an advisory capacity and may make recommendations, produce publications or organize events.
- (2) The Executive Board shall appoint the heads of the Expert Committees for three years and shall appoint the committee members for the same period on their proposal. A member, who is not a natural person, may also propose several employees to the Executive Board as members of the Expert Committee. The number of members of a Expert Committee may be limited by the Executive Board. Only members of the Institute, their representatives or employees may belong to Expert Committees, even to several of them. The regulations in § 7 para. 3 sentences 4 to 6 shall apply accordingly to the members of the Expert Committees. General and individual exceptions may be decided by the Executive Board, in particular in order to ensure appropriate representation of the interests of the members. Further details may be regulated by rules of procedure for Expert Committees drawn up by the Executive Board.

§ 11 Audit of accounts

The correctness of the recording of the income and expenditures of the Institute shall be audited by two auditors, who are elected by the General Meeting from among the members for the current fiscal year and who may not be members of the Executive Board. Re-election - not only once - is permissible.

§ 12 Amendments to the Statutes

Amendments to the Statutes require a majority of two thirds of the members present or represented. An amendment of the purpose of the association is only permitted under the conditions of § 33 para. 1 sentence 2 BGB.

§ 13 Antitrust Compliance

- (1) The Institute and its members undertake to comply in particular with antitrust regulations. The Executive Board may issue a regulation on compliance with antitrust provisions.
- (2) The members of the Institute agree to limit the exchange of information to the necessary information for the implementation of the purposes of the Institute. In particular, the members of the Institute are aware and affirm that they will not exchange competitively sensitive information. This applies in particular (but not exclusively) to strategic information such as prices, markets and customers.

§ 14 Dissolution and cessation of purpose

- (1) The dissolution of the Institute may only be resolved by a General Meeting convened for this purpose. The dissolution resolution requires a majority of two thirds of the present or represented members and an absolute majority of all members.
- (2) In the event of the dissolution of the Institute or in the event of the discontinuation of the tax-privileged purpose, the assets of the Institute may be transferred:
 - (a) to the German Research Center for Artificial Intelligence, which shall use them directly and exclusively for public-benefit purposes, or
 - (b) to a legal entity under public law or another tax-privileged corporation for use for scientific purposes.
- (3) In the event of the dissolution of the Institute, liquidation shall be carried out by the present Chairman of the Executive Board and, if applicable, his deputies. The liquidators shall be authorized to represent the Institute alone. § 7 para. 2 sentences 2 and 3 shall apply accordingly.

§ 15 Final Provisions

- (1) The Institute shall commence its activities with effect from March 25, 2021.
- (2) Every provision of these Articles of Association shall be interpreted in such a way that the exclusively and directly public-benefit purposes of the Institute are not impaired.
- (3) The foregoing Articles of Association were adopted at the founding meeting on March 25, 2021.