



Articles of Association of the „Airbrush-Fachverband“

§1 Name, Registered Office, Financial Year

- (1) The association bears the name „Airbrush-Fachverband“. It is to be incorporated into the official Register of Associations. After registration, it shall bear the name „Airbrush-Fachverband e.V.“
- (2) The association has its registered office in Hamburg, Germany.
- (3) The financial year shall be the calendar year.

§2 Purposes of the Association

- (1) The association shall
 - a. support the airbrush technique by improving the internal and external communication of the industry,
 - b. strengthen the sector through marketing and innovation promotion, pool together members' interests and create synergies.
- (2) For this purpose the following shall be taken into account, particularly
 - a. supporting the members to exchange experiences and ideas, particularly by supplying means of communication and forums within the industry,
 - b. actively transferring information concerning airbrush in the public and in the media as well as during events,
 - c. supporting cooperation between members who have professional questions and
 - d. developing and implementing quality standards and standards of competence.

§ 3 Membership

- (1) The association consists of full members and honorary members.
- (2) People and companies (individual companies, partnerships, stock corporations) that manufacture or distribute products relevant or auxiliary to airbrushing or provide seminars in airbrushing techniques qualify as full members. Every member groups himself or herself to one of the four sectors by self-disclosure:
 - A. Industry (manufacturing/wholesale and foreign trade)
 - B. Retail
 - C. Training centres/seminar provider
 - D. Artists

In sectors A-C your business has to be commercial and a main activity as well as driven according to entrepreneurial principles (e.g. profit orientation, entrepreneurial office equipment or representation, relevance of activities, promotional activities). Previous corresponding members will become full members automatically.



(3) Honorary members can be such individuals, who have acquired special credits in connection with airbrush techniques, who have made significant contributions to the sector or are of special importance to it. Members may propose honorary members. After the board has assessed the case, the honorary member may be appointed. Rejections don't need to be justified. If necessary, the board can transfer the election of honorary members to the general meeting. Honorary members may take part as advisors in general meetings. However, they are not entitled to vote. Honorary members do not pay membership fees.

(4) Applications for memberships are to be directed to the board in writing. The board decides on the application at its own discretion and on the basis of the criteria mentioned in section 2 and 3. The board is not obliged to justify any rejections of the application.

§ 4 Founding Members

The signatories of the articles of association at the inaugural meeting are the founding members.

§ 5 Termination of Membership

(1) Membership ends with resolution, the death of the member, exclusion, by removal from the list of members or cancellation of the membership.

(2) The member can cancel in writing addressed to the association via the administrative office. Cancellation is only possible at the end of the contribution year. There is a notice period of six weeks. The relevant date of cancellation is the date of arrival at the board of administration.

(3) The contribution year is determined by the Members' Contribution Rules.

(4) A member can be deleted from the membership list by resolution of the board if he or she is in arrears with membership fees or contributions despite two written reminders. A resolution for the deletion may only be passed after two months have passed since the second reminder was forwarded and when the deletion was specifically pointed out in this reminder.

(5) A member can be excluded from the association by a board decision if he or she has grossly violated the interests of the association. The board must give the member the opportunity to present his or her case verbally or in writing. The decision of the board has to be justified in written form and has to be sent to the member. The member can appeal the decision at the general assembly of the members. The appeal must be submitted to the board within one month after receipt of the decision. Then the general assembly of members will decide. In the event of minor breaches of the Articles of Association or resolutions of the board, the board can address an oral or written warning to the member. The continuation of the alleged infringement despite warning constitutes a gross violation of the interests of the association.

(6) In the event of a member's death or in the event of membership ending due to a facultative decision, or if insolvency proceedings are institutes with respect to the member's assets or bankruptcy proceedings are dismissed due to lack of assets, or if the member ceases payment, membership shall end upon the occurrence of any of these events. The obligation to pay membership fees for the duration of the current financial year will remain.



§ 6 Membership Fees

- (1) An annual membership fee shall be paid. Its level shall be determined by the Members' Contribution Rules. The members' general assembly shall decide on the level with a simple majority.
- (2) For financing special projects, the members shall be committed to pay extraordinary levies. The general assembly of members shall draw up decisions upon proposal of the board.

§ 7 Organs of the Association

The organs of the association are the general assembly and the board.

§ 8 The Board

- (1) The Executive Board in accordance with § 26 BGB (German civil code) constitutes the first chairperson, the second-chairperson and the treasurer. He represents the association in and out of court. Each board member is individually authorized to represent.
- (2) In accordance with section 3, paragraph 2, a minimum of two of the four activities need to be covered by members of the representative bodies of the association.
- (3) Power of the representation of the board is limited in that it requires the approval of two other members of the extended board at the least if it conducts transactions costing over 5.000 Euro.
- (4) Apart from the executive board, the extended board consists of additional co-chairmen.
- (5) The general assembly decides on the number of co-chairmen.
- (6) The activities of the board are honorary.

§ 9 Responsibilities of the Extended Board

- (1) The board is responsible for all matters of the association, as far as they have not been transferred to other bodies of the association due to the Articles of Association. In particular, it carries out the following tasks:
 - a. Preparation and convening of the general assembly as well as the itemisation of the agenda;
 - b. Execution of the decisions of the general meeting;
 - c. Preparation of the budget, the accounts, the annual report, cash management;
 - d. Adoption of resolutions over the admission and the exclusion of members;
 - e. Representation of the association in public;
- (2) The Office of the Association reports to the board and carries out communicational and organizational tasks for the association.
- (3) The board can set up technical committees that deal with distinct topics. Non-members can belong to the committee. The technical committee serves the purpose of advising the board concerning



specific organizational, technological and legal questions. The board selects the head of the technical committees from among the full members.

§ 10 Elections and Terms of Office

(1) The term of office of the extended board shall be two years, starting from the day of election. The general assembly elects the members of the extended board. They remain in office until new elections take place. Each member of the board has to be elected individually. Re-election is allowed. Only full members of the association can be elected as members of the board. Termination of full membership results in the termination of membership on the board.

(2) If a board member retires prior to the expiry of his term of office, the remaining board shall elect a replacement for the rest of the term of office of the member, who retired from office.

§ 11 Meetings and Resolutions of the Extended Board

(1) The extended board decides in meetings that are convened by the first Chairman, or in his absence by the second Chairman. The agenda does not have to be announced. The period of notice shall be ten days. The invitation shall be addressed to all members of the board. The period of notice begins on the day of forwarding. If all board members agree, the period of notice can be dispensed with.

(2) The board is quorate if at least two of its members take part in the meeting in person or if they take part by telephone. Resolutions are passed by a majority of the valid votes cast.

(3) The board may pass resolutions by a written procedure or by e-mail, if all members agree to this.

(4) The minutes of decision of a board meeting shall be signed by all participants, including those taking part by telephone or by e-mail.

§ 12 General Assembly

(1) Each full member has the right to vote with one vote in the general assembly. Every member can send up to three representatives with one being entitled to vote.

(2) The general assembly is responsible for the following tasks:

a. Authorization of the budget that is set up by the board for the next business year; Acceptance of the annual report of the board; The formal approval of the actions of the board;

b. Fixing the contribution rules for admission fees, membership fees and levies;

c. Electing and recalling the members of the board;

d. Adoption of the resolutions on amendments of the articles of association and the termination of the association;

e. Decisions on the objection of a member against his exclusion ruled by the board;



f. Passing a resolution with regard to the election of one or two cash auditors from among the full members for one fiscal year.

§ 13 Calling the General Assembly

(1) The general assembly shall take place once a year. It is convened by the board in writing along with the agenda with a notice of one month before the meeting takes place. The period starts with the day following the forwarding date of the invitation. The invitation letter is considered as delivered to the member, if it was directed to the address that was last given to the association. The agenda is established by the board. The general assembly can also be convened via e-mail. A time limit has to be observed: It shall have a period of one month from the day of notification or from the posting of the e-mail.

(2) At the latest by one week before a general assembly, each member can propose to the board an addition to the agenda. The chairperson or, in the case of the former's absence, secretary shall decide on the admission of the addition. The head of the meeting must announce the addition at the beginning of the general assembly.

(3) Applications for additions to the agenda, which are submitted during general assemblies, are resolved in the general assembly.

§ 14 Extraordinary General Assembly

The board must call an extraordinary general meeting when it is in the interest of the association or when a third of the members request the same in writing stating the purpose and reasons. In particular, an extraordinary general assembly must be called when decisions must be reached regarding special levies, the proposal for a motion of censure against the board or the dissolution of the association.

§ 15 Resolutions of the General Assembly

(1) The general assembly shall be chaired by the Chairman of the Board or in case of his absence another member of the board. If no member of the board is present, the meeting determines a chair of the meeting. For the duration of elections and previous discussions, the general assembly may determine a different chair. This person determines the secretary.

(2) The chair of the meeting determines the type of voting procedure. The vote must be performed in writing when requested by one third of the attending members, who are eligible to vote.

(3) The general assembly must have a quorum, if the procedures have been properly followed and are in accordance with the statutes. Should the board harbour any doubts as to the correctness of the procedures, the board is obliged to convene a new general assembly within three weeks and with an identical agenda.

(4) The general assembly passes resolutions with the single majority of the submitted valid votes. Abstentions are regarded as votes not cast. If the voting results in a tie, a motion shall be deemed



rejected. An amendment to the statutes, however, requires a majority of two thirds of the valid votes cast. Amendments to the purpose of the association and its dissolution require a majority of three quarters of the valid votes cast.

(5) In the case of elections, the person who receives the most of the valid votes is elected. In the event of a tie, the election is decided by lots drawn by the Chair of the Meeting.

(6) Resolutions passed in the general assembly must be recorded and signed by the respective secretary and chair of the meeting.

§ 16 Dissolution of the Association

(1) The association can be dissolved by the decision of the general meeting with a majority of three quarters of the submitted valid votes. The decision can only be made if the proposal is announced sufficiently in advance of the members' assembly in the invitation.

(2) The chairperson and the treasurer are the jointly acting liquidators unless decided differently in the general assembly.

(3) Upon dissolution of the association or upon the cessation of its purpose, the funds will go to a non-profit organization which will be decided on at the general assembly.

(4) This section applies by analogy if the association is dissolved for any other reason as well as in case of the loss of its legal capacity.

§ 17 Final Provisions

(1) The exclusive place of jurisdiction is Hamburg, Germany.

(2) For any disputes arising from association law issues, an extrajudicial settlement should be sought first. Should the attempt of conciliation fail, either party shall be entitled to take recourse to usual legal channels.

(3) Should individual provisions of the articles of association be or become invalid, the validity of the remaining provisions shall remain unaffected. In this case, the bodies are obliged to agree on a legally permissible provision that largely attains the purpose and objective the ineffective or void provision aimed at.

(4) These articles of association come into force upon entry into the official register of societies and associations.