

# **MetropoleS Lohnsteuerhilfverein e.V. Articles of Incorporation**

**In the version dated 8th September 2017, valid from 1st January 2018**

## **§ 1 Name, Registered Office and Scope of Activities**

- (1) The association bears the name „MetropoleS Lohnsteuerhilfverein e.V.“ Saatwinkler Damm 11-12, 13627 Berlin.
- (2) The association has its registered office in Berlin Charlottenburg and therefore in the federal state of Berlin. The management is located in the same district. The association is registered at the District Court Berlin Charlottenburg in the association register.
- (3) The association operates in the territory in which the German Basic Law applies.

## **§ 2 Purpose of the Association**

- (1) The association is a self-help organisation of employees. Its purpose is exclusively to provide assistance in the case of income from non-self-employment and other payroll taxes, as well as the assessment procedures referred to in § 4 No. 11 S. 2 German Tax Consulting Act (StBerG).
- (2) The activities of the association also include the representation of the members in the appeal proceedings before financial authorities and financial courts.
- (3) It is not oriented towards an economic business and is thus an ideal union in the sense of § 21 German Civil Code (BGB).
- (4) The association does not maintain any business aimed at winning.

## **§ 3 Members**

Any employee may become a member of the association, who may be advised by the association in accordance with § 2 (1) of the Articles of Incorporation. Other persons may become a member if their membership contributes to the realization of the legally defined association purpose.

## **§ 4 Start of membership**

- (1) The membership in the association must be declared in writing or electronically in writing.
- (2) The Articles of Incorporation and the Rules of Contribution shall in all cases be disclosed and handed over before the declaration of accession.
- (3) The Management Board may refuse membership in writing or electronically in writing within four weeks after the signing of the application. If the board does not refuse membership, the date of signing of the application is considered as the beginning of the membership.
- (4) Upon accession, the Member shall accept the Articles of Incorporation.
- (5) If a member resumes the assistance provided by the association in the calendar year after the termination of the membership, the membership resumes only with an additional written explanation. Nevertheless, the member is required to make the contribution required for the assistance provided after the termination of the membership was claimed. It does not depend on the status or status of the assistance, but on the start of the assistance service.
- (6) The membership can also be justified for a past time with retroactive force.
- (7) Members intending to make a compensation claim against the association must give a written notice of the facts and the resulting damages causally sent by mail to the board of the association. A legal action before the ordinary court is admissible only if the association has not responded to the written notification of the damage within a period of 6 weeks or rejects the regulation of the damage.

## **§ 5 Termination of Membership**

- (1) The membership ends by voluntary withdrawal, exclusion, deletion from the membership list or by death. The membership is not inheritable or transferable.
- (2) The withdrawal is only possible at the end of each calendar year (as of 31st December). It must be declared in writing by mail with a notice period of three months before the end of the respective financial year, ie until 30th September, in the event of an extraordinary withdrawal, only to the Management Board three months before the increased contribution pursuant to § 5 (3) of the Articles of Incorporation. A notice to the adviser is not legally binding.
- (3) If an amendment of the rules relating to members' contributions leads to an average increase in members' contributions of more than 15%, the members have the right, irrespective of the notice period contained in § 5 (2) of the Articles of Incorporation, to terminate their membership in writing before the end of the calendar year. This notice to terminate membership must contain a statement of reasons and be received by the Management Board within a preclusive period of one month after the increase in membership contributions was announced.
- (4) A member may be expelled from the association if it has violated the statutes, the reputation of the association or its members. The Management Board decides in writing about the exclusion, giving reasons. The member has the right to appeal against the exclusion decision of the Management Board within one month after receipt by mail in writing. The Assembly's meeting decides definitively on the objection.
- (5) A member may be removed from the list of members by resolution of the Management Board if, despite repeated written or electronic written reminders, he is in arrears with the payment of membership fees. The deletion may only be decided upon after at least two months have elapsed after the second reminder has been sent.
- (6) Upon termination of membership, all rights and obligations towards the association expire. This does not apply to open claims and any liability claims under § 16 of the Articles of Incorporation, which have arisen within the framework of membership. At the same time, the former member is automatically exempted from all positions they hold within the association.

## **§ 6 Rights and obligations of the members**

- (1) The membership of the association entitles the member to consult the association according to the Articles of Incorporation. The member is obligated to hand over all documents necessary for the consultation to the association or to provide written or electronically written requests. If the member has not filed the documents in the advisory office or in writing electronically the member loses his liability. In addition, the member is obligated to assist in the fulfillment of the association's purpose in all his own fiscal matters, in particular to arrange and prepare his tax documents, to make timely consultations, and to promptly process any necessary queries. The members are obligated to notify the association of their new address immediately in writing or by e-mail in the case of a change in the place of residence or the e-mail address.
- (2) The member is obliged to pay the membership fee according to § 7 of the Articles of Incorporation and according to the currently valid Rules of Contribution.
- (3) At the General Meeting of members' representatives, invited members may vote.
- (4) There is no claim to the distribution of the association assets.
- (5) The members declare their acceptance of the association and the submission of the e-mail address, which also sends paperwork in the form of e-mail to the fulfillment of the association's purpose, in particular the invitation to the members' meeting or the election of the members' representatives. Members are encouraged to periodically check their e-mail mailboxes for e-mail. In addition, any changes to the e-mail address must be communicated in writing to the association without delay. A subsequent vote for the convoked members' meeting or election of the members' representatives by omission of the change of the e-mail address is excluded. In addition, the member shall be responsible for this omission.

## **§ 7 Members contribution**

- (1) An annual membership fee is charged for the membership in the association. In certain cases and in individual groups of members, the pro rata membership fee may be levied monthly by means of the Management Board's resolution. A one-time entry fee may be charged. In the

event of a change in statutory value-added tax, the Management Board is entitled to change the membership fee and entry fee to the appropriate extent. The annual or monthly contribution may only be levied in accordance with the valid contribution schedule, which is issued by the Management Board. The amended draft regulation is to be communicated to the members one month before the date on which they are to apply.

- (2) The first annual contribution or pro rata monthly contributions must be paid upon entry into the association. The following annual contributions are available until 31st March of the calendar year. Monthly contributions are payable at the end of each month. This applies irrespective of whether or not the performance of the association has been rendered or used up to the respective date. If the payment for annual contributions has not been made by the 30th of June of a calendar year, in the case of monthly payments up to the 15th of the following month, or during the year after the end of the subsequent succession of accession, the member is automatically in default of payment. It does not require a re-written written warning.
- (3) In addition to the membership fee resulting from the contribution rules, no special fee is charged for the provision of assistance in the form of payroll taxes pursuant to § 2 of the Articles of Incorporation. In addition, in the cases of representation of legal remedies before the German Fiscal Court, the member is charged in the interests of all members. These are, by way of exception, to be compensated according to expenses.
- (4) The Management Board is entitled to reduce the admission and the membership fee in justified exceptional cases.
- (5) The membership fee will be paid exclusively by SEPA Direct Debit. There is no accounting.

## **§ 8 Financial year**

The financial year is the calendar year.

## **§ 9 Organs of the Association**

- (1) The organs of the association are the representative meeting and the Management Board. In addition, only a member of the association or a supervisor of the advisory office in a contractual relationship with the association and registered with the supervisory authority are able to be part of one of the organs of the association.
- (2) A membership in more than one organ of the association is not possible. Members of these bodies may not be members of any other association of income taxpayers, nor may they engage in any other income tax association, regardless of their function.
- (3) The members of the association's organs have a special, outstanding and responsible position. If and to the extent that a member of the executive body behaves in a manner which is such that the association or its reputation is significantly or demonstrably damaged, it can be excluded as a member from the respective organ function.

## **§ 10 Election of the members' representatives**

- (1) Members' representatives shall exercise the rights of the members at the General Meeting of members' representatives. Only natural persons can be proposed and elected as members' representatives. In addition, natural persons may be proposed who are in a contractual relationship with the association as a supervisor in an advisory office and are reported to the competent supervisory authority. Member representatives can't be represented by a third party.
- (2) Each 100 members are represented by an elected member. The number of elected members is limited to 30. The members' representatives' meeting shall be the member representatives to be elected by the members for 5 full calendar years. In order for the members' representatives' meeting to be quorate from the outset, three member representatives are elected in the start-up procedure. These three members are proposed and elected by all existing members. The procedure of the election takes place analogously as in § 10 (4) - (11) of the Articles of Incorporation.
- (3) The number of members to be elected shall be determined by the number of members dated at 31st December of the year preceding the election of the members' representatives to be elected.

- (4) The members to be elected are appointed in such a way that all members are registered in the first or second quarter of the election year, primarily by e-mail, and by submitting nominations to the members' representatives. The nominations must be sent within three weeks to the main administration of the association, stating the name and the address of the member as well as his signature. If the incoming electoral proposals are not sufficient to establish sufficient candidates to be nominated, the Management Board is obliged to supplement the nominations.
- (5) From the list of nominations submitted in due form and in due time, the double number of elected representatives will be included in a ballot in the order of their supporting signatures. The ballot will be sent to members in the third quarter of the election year, mainly by e-mail. The ballot shall be provided by the members by their name, address and signature and returned to the main administration of the association in sealed envelopes within a period of three weeks. Elected are the candidates, who have the most votes. In the case of a tie, the member representative with the longer membership is elected. Should these same be the same, the current members of the committee decide. The election result must be announced to the members by e-mail.
- (6) There are no born members' representatives, retired members of the Management Board are also no born members' representatives.
- (7) The right to vote shall not be exercised in the case of a vote on a resolution which affects the individual members' representatives personally.
- (8) A member representative may terminate by a written declaration of resignation, addressed to the Management Board, by resolution of the members' representatives on the proposal of the Management Board for important reasons (objectively gross breach of duty or incapacity for the proper fulfillment of the tasks assumed) or automatically in cases of § 9 (2) of the Articles of Incorporation.
- (9) If the membership or contractual relationship of the elected member representative with the association ends, then his position as member representative ends with the same date, unless the member representative becomes a member of the association within 14 days after the end of the contractual relationship. The concerned member representative must be informed in writing or by e-mail.
- (10) If the elected members of the Board of Representatives prematurely terminate by death or on the basis of the provisions of § 9 of the Articles of Incorporation, the Management Board shall supplement the elected members' representatives from the electoral list of the last election, according to the order of the votes cast. If the list of options for the election is not sufficient, the members' meeting will consist of a smaller number until a new member election is held. The missing members' representatives will be selected on the next election by the members, so that the number doesn't fall below under the one recorded in § 2 of the Articles of Incorporation.
- (11) Members' representatives are not entitled to any remuneration for the duties or attendances at meetings. Furthermore, they are not entitled to any reimbursement. It is incumbent on the Management Board to unanimously reimburse members' representatives for a lump sum for the expenses of the association. The Management Board determines the amount and the date of disbursement.

## **§ 11 Assembly of the members' representatives**

- (1) The General Meeting of members' representatives shall take place at least once in the calendar year, but no later than three months after the announcement of the audit report, an assembly of the members' representatives shall be chaired by the Management Board or its deputy. The convening must be made in writing or by e-mail with a deadline of at least one month, indicating the agenda, venue and date. At the same time, the supervisory authority shall be informed. The invitation letter shall be sent individually to each member representative and shall be deemed to have been received if addressed to the last address specified by the member representative or, after dispatch, to the last e-mail address designated by the member representative. All members' representatives who have paid their contributions for the current year or have a current contract with the association are entitled to vote.
- (2) At the request of at least 20% of all members' representatives, the Management Board shall convene an extraordinary meeting of the members' representatives within a period of four weeks.
- (3) The agenda is set by the Management Board. Each member representative may request the addition of the agenda to the Management Board in writing no later than one week before the

meeting. At the beginning of the General Meeting of members' representatives, the meeting chairman has to announce the additions. The Assembly shall decide on applications for additions to the agenda, which are submitted in the General Meeting.

- (4) The General Meeting of members' representatives is chaired by the chairman. If no member of the Management Board is present, the meeting determines the meeting chairman. The nature of the vote is by a simple majority. The vote must be made in writing if 1/3 of the members of the voting members present require to do so.
- (5) Without prejudice to the provisions of § 33 of the German Civil Code (BGB) (amendments to the Articles of Incorporation and changes in the purpose of the association), the decisions of the members' representatives' meeting shall be passed by a three-quarter majority of the members' representatives present. Any duly convened meeting of the General Meeting shall be quorate without regard to the number of members represented.
- (6) A protocol shall be passed on the resolutions of the General Meeting of members' representatives, which shall be signed by the Secretary and the Assembly Plenary. A list of all participants at the General Meeting shall be enclosed with the protocol.
- (7) The members' meeting is exclusively responsible for the following matters:
  - Election and removal of members of the Management Board
  - Acceptance of the annual report of the Management Board
  - Debate on the results of the business audit
  - Discharge of the Management Board
  - Resolution on amendments to the Articles of Incorporation and dissolution of the Association, with the exception of § 13 of these Articles of Incorporation.

## **§ 12 The Management Board**

- (1) The Management Board in the sense of § 26 German Civil Code (BGB) consists of a chairman and two deputies.
- (2) Each member of the Management Board is authorized to act as a proxy.
- (3) The Management Board is elected by the General Meeting of members' representatives for a period of four years. The appointment of the members of the Management Board can only be recalled in accordance with § 23 (2) of the German Civil Code (BGB) only if there is an important reason. However, he remains in office until a new executive committee is elected. Reelection is permitted.
- (4) The Management Board takes its decisions by a simple majority.
- (5) Members of the Management Board are not paid any compensation for their activities. Proof expenses and expenses incurred by a member of the Management Board in the exercise of his duties may be reimbursed in an appropriate manner. Contracts of the association with members of the Management Board or their relatives (§ 15 German Fiscal Code - AO -) require the approval or approval of the General Meeting members' representatives. For example, a member of the Management Board or a relative of a member of the Management Board is appointed as Managing Director or supervisor of advisory office by the Association for the purpose of employment the approval of the members' representatives' meeting shall be required with regard to the appointment and the amount of remuneration payable. The Management Board is not exempted from the provisions of § 181 German Civil Code (BGB).
- (6) Paragraph §§ 664 to 670 of the German Civil Code (BGB) apply to the management of the Management Board. In particular, the Management Board shall perform the following tasks:
  - Management and supervision of the ongoing and extraordinary business of the association
  - Appointment of a managing director within the meaning of § 30 German Civil Code (BGB), insofar as the board does not manage the business of the association itself
  - Establishment and operation of advisory offices and their monitoring within the meaning of § 15 of the Articles of Incorporation
  - Announcement of the management report and convocation of the members' representatives meeting
  - Implementation of the resolutions of the representatives' meeting
  - Administration of the obligations of the supervisory authority resulting from the German Tax Consulting Act (StBerG)

## **§ 13 Amendments to the Articles of Incorporation**

The Articles of Incorporation can only be amended at a meeting of representatives, which has been invited with an excellent indication of the intended amendments to the Articles of Incorporation. A three-quarter majority of the present members' representatives is required to amend the Articles of Incorporation. The approval of all members' representatives is necessary to change the purpose of the association. The consent of the non-present members' representatives must be given in writing. Insofar as an amendment to the Articles of Incorporation is required as a result of an order of the court of registry, the supervisory authority within the meaning of § 23 (1) German Tax Consulting Act (StBerG) or another authority, the Chairman of the Management Board is authorized to resolve this amendment to the Articles of Incorporation.

## **§ 14 Obligation to the Supervisory Authority**

The Management Board must comply with the obligations arising from the German Tax Consulting Act (StBerG) for the association against the supervisory authority. These are, in particular, the following:

- (1) The Association shall examine the completeness and accuracy of the records and the balance sheet as well as the consistency of the actual management with the statutory duties of the tax association every year within six months after the end of the financial year by one or more auditors.
- (2) The following are only available for auditors:
  - Persons (For example, tax consultants and lawyers) and companies authorized to provide unrestricted aid in taxation
  - Examiners whose statutory purpose is the regular or extraordinary examination of the members if at least one legal representative of the association is a tax consultant, lawyer, auditor or sworn accountant.
- (3) Persons who are concerned about the bias or the possibility of a conflict of interests, in particular because they are members of the Management Board, especially representatives or employees of the association, can not be auditors.
- (4) Within one month after receipt of the examination report, the association shall forward a copy thereof to the competent supervisory authority within the meaning of § 27 (1) German Tax Consulting Act (StBerG). Within 6 months after receipt of the examination report, the main content of the examination is to be given to the members' representatives.
- (5) The Association shall notify any change in the Articles of Incorporation to the competent supervisory authority within one month after the decision has been taken. It is to be informed of upcoming representatives' meetings 2 weeks in advance at the latest.
- (6) The persons entitled to represent the association must notify the relevant supervisory authorities of the information required for the registration or deletion in the list of the tax administration associations within the meaning of § 7 German Implementing Regulation of Wage Tax Degree (DVLStHV) and § 30 German Tax Consulting Act (StBerG) within 2 weeks.

## **§ 15 Consultation of members**

- (1) The consultation of the members is only exercised in advisory offices within the meaning of § 23 German Tax Consulting Act (StBerG).
- (2) Assistance in tax matters is exercised only by persons who are members of an advisory office. All persons employed by the association in the provision of assistance in tax matters are obliged to comply with the obligations specified in the Articles of Incorporation. A supervisor is appointed for each advisory office. At the same time, he is only allowed to lead another advisory office. The second advisory office may also be located in another financial district or regional financial district, provided that the rules and obligations specified in the German Tax Consulting Act (StBerG) and the Articles of Incorporation are observed. The supervisor is responsible for overseeing all persons working in the advisory offices.
- (3) Only persons may be appointed as supervisor of an advisory office, who
  - a) belong to the group of persons referred to in § 3 No. 1 German Tax Consulting Act (StBerG)

- b) have passed a final examination in a commercial apprenticeship or another equivalent prior education and who have been practically active for three years in the field of the taxes administered by the Federal and State Finance Authorities, or
- c) have been active for a minimum of at least three years to a minimum of 16 hours per week practical work on the area of income tax law relevant to the advisory power pursuant to § 4 No. 11 German Tax Consulting Act (StBerG); training periods can not be applied to the course of at least three years duration.

Whoever has behaved in such a way that the concern is justified that he will not fulfill the duties of the Association can not be appointed as a supervisor for an advisory office.

- (4) The assistance in tax matters is exercised in a proper, conscientious manner and in a secret way. The exercise of any other economic activity in connection with the provision of assistance in the income tax of another tax association is not permissible.
- (5) The reference files of assistance in the taxation of the members shall be retained for a period of 7 years after the conclusion of the activities of the association in the taxpayer's liability. This obligation shall, however, expire before the end of this period when the Association requests the member to receive the files and the member fails to comply with the request within 3 months after receiving the request. The provisions on the obligation to store business documents made in other laws than the German Tax Consulting Act (StBerG) shall remain unaffected. The Management Board reserves the right to make changes to the retention in the event of changes to the statutory retention obligations.

## **§ 16 Liability insurance**

- (1) The liability of the Association for the fault of its organs and employees can not be ruled out in the case of assistance in tax matters for members. The liability for the liability arising from the assistance rendered in tax matters (loss of advice, loss of processing documents, etc.) shall be covered by an appropriate liability insurance. The competent authority within the meaning of § 117 (2) of the German Insurance Contract Law (VVG) is the supervisory authority within the meaning of § 27 (1) German Tax Consulting Act (StBerG).
- (2) The member's claim for compensation arising out of the legal relationship existing between him and the association shall expire after three years from the date on which the claim arose. The claim arises with a written assertion against the Management Board.

## **§ 17 Annulment of the Association, liquidation**

- (1) The annulment of the association can only be decided in a representative meeting convened for this purpose. This requires a three-quarter majority of the members' representatives present. However, the association can not be annulled if at least 7 of the present members represent the resolution.
- (2) Unless otherwise decided by the members' representatives meeting, the members of the Management Board shall be jointly authorized liquidators. The power of representation pursuant to § 12 (2) of the Articles of Incorporation shall apply mutatis mutandis.
- (3) At the request of the chairman, prior to the vote on the annulment of the association and the use of the association's assets, the appointment of a commissioner for the settlement of the pending income tax accruals pursuant to § 24 German Tax Consulting Act (StBerG) as well as the storage of the files pursuant to § 26 German Tax Consulting Act (StBerG) is to be decided.
- (4) Upon annulment of the association, the remaining assets are forfeited to a non-profit organization after liquidation. The beneficiary must be decided at the meeting.

## **§ 18 Jurisdiction**

The place of jurisdiction is the seat of the association. The place of fulfillment is in any case Berlin.

### **§ 19 Effectiveness**

The Articles of Incorporation shall come into effect upon resolution.

### **§ 20 Final provision**

Should parts of this statutes be or become invalid, this shall not affect the validity of the remaining statutes.