

Articles of Association of ReactOS Deutschland e.V.

This translation is just provided for convenience. It is no legal replacement of the German original. Remarks of the translator are written in italic text.

§ 1 Company Name, Registered Office, Financial Year

- (1) The Association is registered as “ReactOS Deutschland e.V.”.
- (2) It is entered into the Gütersloh District Court's Register of Associations under the number 1385.
- (3) The Association's registered office is located in Rheda-Wiedenbrück. If no fixed office is established, the Association will be managed from the residence of the respective Board member acting as general manager at any given time.
- (4) The financial year is the calendar year.

§ 2 Purpose of the Association

- (1) The Association pursues exclusively and directly non-profit activities in the sense of the section “tax-privileged purposes” of the German tax regulations. Any form of party-political, economic or confessional activity is excluded.
- (2) The purpose of the Association is the promotion of research and education through using free operating system software. In particular, it shall promote and support the use and development of the Open-Source computer operating system “ReactOS”, which is available at no charge.
The purposes of the Association include specifically:
 - a) Promotion of education in the field of “open source software”, specifically in conjunction with the operating system ReactOS and through seminars, lectures, workshops and brainstorming conferences.
 - b) Installation and maintenance of communication networks for users and developers for mutual support and assistance.
 - c) Promotion of national and international collaboration in the field of open source software, in particular related to the operating system ReactOS.
 - d) Promotion and conduct of research and development activities, particularly in the field of open source software, which can benefit all parts of society. The focus lies on the open source operating system ReactOS.
 - e) The Association also represents the interests of its members towards public authorities and other organizations, towards companies and the press concerning the usability of open source software, in particular ReactOS.
- (3) An amendment of the purpose of the Association may only happen in accordance within the boundaries given in (1).
- (4) The Association works on a non-profit basis and does not pursue self-enrichment activities.
- (5) Financial means of the Association may only be used for purposes stipulated in the Articles of Association. The Association offices are generally implemented on an honorary basis. The Board may decide on a payment in accordance with §3 No. 26a EStG (*German Income Tax Code*) “Flat rate for honorary activities” or §3 No. 26

EStG “Flat rate for exercise instructors” though, as well as on a regulation for compensations. Details are governed by the Financial Regulations of the Association. There is no right to be paid.

- (6) The Association may also grant financial support of Association members and third parties in the form of scholarships in accordance with the purpose of the Association. The “Guidelines for Awarding Scholarships” in the current version are applied when awarding scholarships.
- (7) No person may benefit through expenditures, which do not serve the purpose of the Association or are disproportionately high.

§ 3 Acquisition of Membership

- (1) Any natural persons and legal entities supporting the aims of the Association may become members. The following types of memberships are available:
 - a) **Active Members** are natural persons, who support the purpose of the Association and its aims through their collaboration and who assume the complete duties of an association member. In particular, they are expected to collaborate, participate in the General Assemblies and exercise their voting rights.
 - b) **Supporting Members** are natural persons and legal entities, who support the purpose of the Association and its aims particularly through financial or material contributions. If desired, their names will be published on the website of the Association and they have the right to participate in the General Assemblies while refraining from voting rights. Legal entities choose a natural person as a representative to exercise the remaining rights and duties.
- (2) With the submission of the application, the applicant accepts the Articles of Association upon of his or her acceptance. There is no right to membership.
- (3) The Board determines eligibility of admission of new members. The applicant must be notified of the final decision; no explanations need to be provided.
- (4) Membership begins on the day of the admission.

§ 4 Rights and duties of the members

- (1) Members are obliged to support the aims and interests of the Association and to follow the decisions and orders of the Organs of the Association.
- (2) Members are allowed to use the facilities of the Association and to participate in the events.

§ 5 End of Membership

- (1) Membership ends due to death, notice of resignation, expulsion or cancellation of the membership, in case of legal entities also due to the loss of the legal status. Active Members are obliged to inform us of their address, E-Mail address and related changes immediately. Members unreachable by the Board over a period of at least one year may also be expelled.
- (2) Resignations have to be submitted to the Board in writing. Resignation is permitted under adherence of a term of four weeks before the end of a financial year. To comply with the term, a Board member needs to have punctual access to the notice

of resignation.

- (3) Expulsion of a member is only allowed for critical situations. The expulsion becomes effective immediately after the Board's decision.

Reasons for an expulsion can be:

- a) a serious violation by a member of the rules, aims and purposes of the Association as stipulated in the Articles of Association after an unsuccessful attempt at clarification, and
- b) a backlog of membership fee payments over a period of 12 months despite repeated reminders.

The member must have a chance to justify the action before the decision is taken. An objection to the expulsion may be submitted to the Board within four weeks, upon which the next General Assembly makes a final determination. Until the decision of the General Assembly, the member's rights and duties remain inactive.

- (4) In case the membership ends, regardless of the reason, all claims of the membership lapse. A reimbursement of fees, donations or other contributions is principally excluded. The right of the Association to claim arrears remains untouched.

§ 6 Organs of the Association

Organs of the Association are:

- a) the Board and
- b) the General Assembly.

§ 7 The Board

- (1) The Board consists of three persons, only natural persons are permitted. The term of office is three years. Reelection is possible. The respective Board members remain in office after their term until successors are elected.
- (2) The Board elects a President, a Vice-President and a Treasurer from its midst. Reelection of all positions is permitted.
- (3) The Board decides about all Association matters unless they require a decision of the General Assembly. It implements the decisions of the General Assembly.
- (4) Each individual Board member has the right to represent the Association to outside parties on their own.
- (5) In case a Board member quits while in office, the Board appoints a provisional Board member on the basis of an Internet vote of Active Members. The provisional Board member remains in office until the next General Assembly. A definite successor is decided by the General Assembly.
- (6) The Board can decide to appoint a full-time director as a special representative in accordance with §30 BGB (*German Civil Code*), who manages the current affairs of the Association and acts as a supervisor of the full-time employees of the Association. Decisions about work contracts, dismissals, admissions of members and expulsions are still exclusively undertaken by the Board.
- (7) The director has the duty to participate in General Assembly meetings and the right or, if the Board demands it, the duty to participate in Board meetings. He has the right to speak in all meetings and is accountable to all organs of the Association.

- (8) Amendments to the Articles of Association, which are requested by regulatory, court or financial authorities for formal reasons may be undertaken by the Board. The amendments have to be reported during the next General Assembly.
- (9) The decisions made by the Board are based on a simple majority.

§ 8 General Assembly

- (1) The General Assembly consists of all active Association members with a single individual vote.
- (2) The General Assembly has to be summoned
 - a) if the interests of the Association require it,
 - b) at least once a year,
 - c) within three months in case a member of the Board quits,
 - d) if the summoning is requested by a quarter of all members along with a list of purposes and reasons.

The General Assembly has to be called in by the Board in writing under adherence of a term of four weeks. The term begins when the invitation has been sent to the last known member address or E-Mail address. The summoning of the meeting has to name the subject of the decision-making process. Every member can request in writing to the Board to add additional subjects to the agenda until one week before the day of the General Assembly. The meeting leader then has to amend the agenda appropriately at the beginning of the meeting. The General Assembly decides about requests of additions to the agenda, which are stated during the General Assembly.

- (3) The General Assembly is led by the President of the Board, or in the case of his absence, by his deputy or a person named by him. If a matter concerning the President or his deputy itself is to be debated, the General Assembly elects a meeting leader from its midst for the duration of this debate.
- (4) Every properly summoned General Assembly has a quorum. All votes are cast by show of hands. On a request of at least five attendant active members, votes are cast in writing and secretly. Decisions are taken with a simple majority. Abstentions of the attendant members are counted as negative votes. At a parity of votes, a request is considered dismissed.
- (5) A decision about the amendment of the Articles of Association and about the liquidation of the Association requires the presence of two thirds of the active Association members. If the General Assembly has no quorum, an additional General Assembly with the same agenda has to be summoned within four weeks since the meeting day. The additional meeting has to take place at least two months, not later than four months after this first meeting day. The new meeting has quorum regardless of the number of attendant members. The invitation to this meeting has to contain a note about the eased quorum.
- (6) Differing from (4), a decision about the liquidation of the Association requires a majority of four fifth of the attendant active members. A decision containing an amendment of the Articles of Association requires a majority of three fourth of the attendant active members.
- (7) A change of the purpose of the Association requires an approval of all active Association members; the approval of non-attendant active members has to happen

in writing.

- (8) An active member, who does not personally participate in the General Assembly, may ask another active member attending the General Assembly to represent him. The representative exercises both members' voting rights. The representative legitimizes himself at the beginning of the General Assembly by presenting the original of a written authorization to the Board. A representative can only represent a maximum of two additional members.
- (9) The decisions taken in the meeting have to be written down in a record. The record has to be signed by the chairman of the meeting and the recorder. If multiple chairmen were in charge, the last meeting leader signs the whole record. Every member has the right to examine the record.

§ 9 Virtual General Assembly

- (1) The General Assembly can also take place as a virtual General Assembly unless at least 50% of the Association members object within one week after sending the invitation to the last known member address or E-Mail address. The objection has to happen by E-Mail to the address of the inviting person. The Association members then have to decide on a different procedure within another week, which is announced by the Board in an additional invitation. If at least 50% of the Association members also object to this procedure within a week, an invitation to a regular General Assembly takes place.
- (2) Virtual General Assemblies take place using a dedicated discussion channel on a dedicated IRC server (Internet Relay Chat), which is exclusively managed by the Association and allows an exclusive use by the Association members. The identification of the participants takes place using previously generated random passwords unknown to the server administrators, which are sent to all participants individually by E-Mail. Members are obliged to not disclose their credentials and the password and keep them locked up. The communication between IRC server and participants has to use a SSL secured connection.
- (3) Votes are also possible during virtual meetings. These have to take place using a virtual participant on the IRC server ("IRC Bot"), which can be controlled by at least one Board member. In case a vote is initiated, the IRC Bot has to ask all participants of the meeting for their vote using private messages and sum up the voting results. During this procedure, the association of a vote to the respective participant has to be discarded to guarantee the highest possible level of anonymity. An exception are questions, which are related to particular persons, who may not vote. In this case, these persons need to be prevented from casting a vote and a publicly visible list of people not permitted to vote must be available. Additionally, the IRC Bot must prevent a participant from voting multiple times. If a participant does not cast his vote within a time limit of five minutes, his vote is counted as an abstention. After all votes have been cast or the time limit is up, the IRC Bot has to report the result of the vote in the discussion channel including all possible voting options and the respective vote counts.
- (4) A virtual General Assembly concerning the liquidation of the Association is invalid.

§ 10 Duties of the General Assembly

- (1) The General Assembly as the highest decision-making organ of the Association is

principally in charge of all duties unless certain duties are assigned to another organ of the Association according to the Articles of Association. The General Assembly elects the Board from the active members. The persons obtaining the largest numbers of votes are elected. In case of virtual General Assemblies, the election takes place using the procedure described in §9.3, otherwise the election takes place secretly using ballot papers.

- (2) The General Assembly may vote Board members out of office. Differing from (1), this requires the majority of the votes of all active Association members.
- (3) The General Assembly receives the annual report of the Board and discharges the responsibilities of the Board.
- (4) The right to decide amendments of the Articles of Association or liquidation of the Association is reserved for the General Assembly.
- (5) Furthermore, the General Assembly has the exclusive right to decide on
 - a) the purchase of, sale of and charges on real estate,
 - b) the investment in companies and
 - c) raising loans of EUR 500,- or more.
- (6) It may decide about further matters, which are submitted by the Board or the members.

§ 11 Meeting Minutes

The decisions of the Board and the General Assembly are recorded in writing and are available for the members' examination.

§ 12 Liability of the Association

- (1) Any liabilities of the Association are limited to the assets of the Association, which consist of the cash in hand and the total inventory.
- (2) Personal liability of Association members or the Board for liabilities of the Association is excluded.
- (3) The Association does not assume any liabilities of its members.

§ 13 Financing of the Association

- (1) The required financial means of the Association are raised through
 - a) membership fees,
 - b) contributions by the federal state, town councils or other public bodies,
 - c) donations,
 - d) other contributions by third parties,
 - e) benefits paid to the Association for activities it pursues for the common good, like lectures.
- (2) Members pay fees based on a decision taken by the General Assembly or the active members in an Internet voting with a simple majority.
- (3) In case of a liquidation or disbanding of the Association or discontinuation of its tax-privileged purposes, all available Association assets will become property of a different tax-privileged association for the use of promoting public and professional

education.

These Articles of Association have been enacted by the General Assembly on 27th December, 2013 and replace the Articles of Association effective since 7th April, 2012.

This English translation is dated 30th June, 2014.