



Initiative Wohnungswirtschaft Osteuropa (IWO) e.V.
zur Förderung marktwirtschaftlicher Strukturen
in der Bau- und Wohnungswirtschaft in Osteuropa

Housing Initiative for Eastern Europe (registered association)
for the promotion of a market-oriented and ecological
development of the housing and construction sectors in Eastern
Europe

Statuses

- Provisional translation -
(amended Dec 2015)

Preamble

1. The Housing Initiative Eastern Europe - Initiative Wohnungswirtschaft Osteuropa e. V. continues the idea and previous activities of the so-called "Initiative Wohnungswirtschaft Osteuropa (IWO)", which worked until the end of the year 2000 under the German Association for Residential Buildings, Urban Development and Regional Planning (reg. org.) (Deutscher Verband für Wohnungswesen, Städtebau und Raumordnung e.V.). The previous Initiative Wohnungswirtschaft Osteuropa (IWO) was dissolved. The Initiative Wohnungswirtschaft Osteuropa e. V. is not the legal successor of the previous Initiative Wohnungswirtschaft Osteuropa (IWO).
2. The aim of the Initiative Wohnungswirtschaft Osteuropa e. V. is to support the co-operation between private and public companies and organisations as well as private persons in Germany and abroad as equal partners, and to bundle their activities in the field of the development of market structures in the housing construction, trade and industry in Middle and Eastern Europe.
3. The field of activity of the Initiative Wohnungswirtschaft Osteuropa e. V. is orientated towards Middle and Eastern Europe.

§ 1

Name, Head Office, Fiscal year

- 1.1 The name of the association is "Initiative Wohnungswirtschaft Osteuropa (IWO) e. V." (subsequently called the "association"). The association is listed in the Register of Associations and thus bears the addition e. V. (registered association).
- 1.2 The association's head office is in Berlin.
- 1.3 The association's fiscal year is the calendar year.

§ 2

Purpose of the Association

- 2.1 The purpose of the association is the promotion of the development aid and the environmental protection.

The association is going to develop and promote market structures and boundary conditions of the housing construction, trade and industry in the states of Middle and Eastern Europe.

In the Initiative Wohnungswirtschaft Osteuropa, specialists join who have gained specific knowhow in residential trade and industry within a social market economy and especially during the transformation of the residential trade and industry in the new federal states of Germany. This know-how shall be turned to use for the countries in Middle and Eastern Europe.

The association is going to develop concepts for residential trade and industry for the transformation process in Middle and Eastern Europe, to support the political and social dialogue in this field, to realise corresponding projects and as a result to transfer know-how and to pass on, consult and train other information.

The association especially looks after tasks which are also included in the present TRANSFORM-programme of the Federal Republic of Germany: By consultation in the fields of housing construction and urban development as well as environmental protection the creation of democratic and free-market structures in Middle and Eastern Europe shall be supported. For this, the association takes up the central theme of 'help people to help themselves' in the states of the Middle and Eastern Europe. By passing on complex know-how for transformation of the residential trade and industry the states of the Middle and Eastern Europe are put in a position to deal with redevelopment and other tasks by themselves.

With this, the association contributes to technical co-operation (development aid) in Middle and Eastern Europe. By bringing together the different activities of private and public companies and organisations as well as private persons a practical exchange of experiences shall be enabled with the aim to elaborate concepts and co-operation estimates for the housing construction, trade and industry in Middle and Eastern Europe. By this, the association shall contribute the economical and social development in the mentioned states. In addition, the association aims to achieve protection of the environment by improvement of the energy efficiency by promotion of housing redevelopment. This is an effective contribution for saving of resources in the sense of a lasting development.

2.2 The purpose of the association mentioned under para 1 is especially realised by:

- 2.2.1 Passing on technical, legal, business management and administrative know-how of the residential trade and industry,
- 2.2.2 Co-ordination of pilot projects in the states of the Middle and Eastern Europe which show, e.g. that German redevelopment concepts can also be realised there,
- 2.2.3 Analysis of model and pilot projects and realisation of the concepts which allow repetition by local Eastern Europe authorities and in this way contribute to a lasting development,
- 2.2.4 Moderation between parties involved in construction and housing market of Middle and Eastern Europe as well as the responsible public authorities,
- 2.2.5 Collection of useful information and transfer of these information by own publications and by answering questions of third parties and members,

Co-ordination and participation in the elaboration of concepts to solve questions regarding housing politics, residential trade and industry, technique and finances as well as elaboration of concepts for realisation of projects for complex redevelopment of buildings made with precast concrete slabs and other dwelling houses,

- 2.2.6 Consultation for legislation for housing construction, trade and industry,
- 2.2.7 Installation and monitoring of a network with information, cleaning and co-ordination functions,
- 2.2.8 Taking up questions regarding procedures and technology (e.g. for improvement of the energy efficiency in the housing construction, trade and industry),
- 2.2.9 Performance of events which correspond to the field of activity of the association and promotion of information and training of persons which are interested in the field of activity of the association,
- 2.2.10 Promotion of the rising generation, performance of periods of practical instruction and other trainings.

2.3 The association has exclusively and directly charitable purposes in the sense of the section "tax-advantaged purposes" of the German Fiscal Code. It acts selflessly and economical purposes do not have the first priority. It is indebted to the public interest and understands its activity as charitable. This applies independently from the tax acknowledgement as charitable in the sense of the German Fiscal Code.

2.4 The financial resources of the association may only be used for purposes in accordance with these statutes. The members neither get shares of the profit nor as their capacity as members get any other contribution from the financial resources of the association.

No person may be favoured by expenses which are not in accordance with the purpose of the association or by unusually high payment.

- 2.5 If the association is dissolved or the tax-advantaged purposes are discontinued the money will be transferred to the German Society for Eastern Europe Science reg. org, Berlin (Gesellschaft für Osteuropakunde e.V.) which has to use it directly and exclusively for tax-advantaged purposes.
- 2.6 The holders of positions of the association act fundamentally on a voluntary basis. The association is allowed to employ persons for customary conditions to deal with the business. The Executive Member of the Board may get an appropriate payment. Persons holding positions of the Board or Board of Trustees on voluntary basis may get an expense allowance. The Members of the Board or Board of Trustees may accept this expense allowance or not.

§ 3

Membership

- 3.1 The association consists of
- Full Members as well as
 - Sustaining Members without voting rights and
 - Honorary Members without voting rights.
- 3.2 Members can be natural and legal persons, individuals and persons from Germany and abroad as well as legal entities of public authorities.
- 3.3 To follow its purpose in an optimal way, the association strives towards a diversified member structure. Members shall be active in the spheres of housing (housing companies, housing cooperatives, home owner associations, housing trusts), technics, industry and trades/handicrafts (building shell, roof, doors and windows, facade, heating, sanitary plumbing and electrics), the energy sector (electricity, gas, water, heat) as well as financial institutions and insurance companies (commercial banks, state and investment banks, building societies, mortgage banks, real-estate banks, credit institutes). Members can also be

representatives from politics, public administration, research and development, services sector, training and other relevant fields.

§ 4

Admission of Members

- 4.1 The admission of new members or changes in membership categories are subject to decisions taken by the Board and at their sole discretion following a written request. Applications for admission of a new member must be supported by two Board Members.
- 4.2 Admission criteria for new members include the role and experience of the applicant in the fields listed in § 3.3, among other things.
- 4.3 Decisions taken by the Board concerning the admission of members shall be final. Rejection of applications does not need to be justified.

§ 5

Termination of Membership

- 5.1 Membership expires after resignation/withdrawal or dismissal of a member. A natural person's membership automatically expires in case of his/her death, a legal person's one in the case of their dissolution.
- 5.2 Members are eligible for resigning. Resignation is subject to a term of twelve months before the end of the following calendar year. Resignation must be declared in written form towards the Board. Meeting the term of notice requires transmission of the declaration of resignation to one of the Members of the Board in due time.
- 5.3 Membership also expires in case of dismissal from the association. Members may only be dismissed with important reasons. If a member fails to pay fees within three months after the third written reminders, this results in the member's dismissal. The respective member will be given the opportunity to respond. The

Board will decide on the dismissing with a qualitative majority. The resolution will have to be well-founded. Once the decision is made, the respective member will be dismissed with immediate effect. The member will be given notice about the decision without delay via a registered letter by the Board.

§ 6

Sustaining and Honorary Members

- 6.1 Beside full members, sustaining and honorary members without voting rights are part of the association.
- 6.2 All natural and legal persons from Germany and abroad as well as legal entities or representatives from public authorities who are interested in the association's activities, willing to participate in or support these activities are eligible as full members. The Board decides on the admission of sustaining members. Sustaining members can be fully or partially exempted from payments of fees. The association expects sustaining members to support the association and its purpose in alternative ways, e.g. by providing knowhow, services or other relevant means.
- 6.3 Sustaining members can be dismissed upon the Board's decision in case they violate these statutes' provisions or act against the association's interests. Dismissing must be declared in written form towards the relevant sustaining member and takes effect immediately upon reception.
- 6.4 Natural and legal persons from Germany and abroad, who have rendered exceptional service to the association and its activities can be appointed honorary members. They are exempted from paying fees or other financial contributions.
- 6.5 Sustaining and honorary members are eligible participating in General Assemblies without voting rights.

§ 7

Institutions

The association's institutions are the

- General Assembly,
- Board,
- Board of Trustees.

§ 8

General Assembly

8.1 The General Assembly serves for the information, consultation and debate on the association's activities and financial situation. In addition also to the reasons for decision-taking listed in paragraph 8.2, the General Assembly is responsible for the:

- adoption of the annual report,
- adoption of the auditor's report.

8.2 The General Assembly takes decisions

8.2.1 on the following fundamental issues:

- Changes in the Statutes and dissolution of the association,
- Election and early recall of Members of the Board with the exception of Executive Members of the Board (§ 10.4) as well as Member of the Board of Trustees,
- Board's relief,

8.2.2 on further issues:

- Nomination of the auditor,

- Adoption and permission of the budget and other plans suggested by the Board,
- issues described in § 10.8,
- Amount and maturity of membership fees, unless they have to be determined by the Board according to these Statutes.

§ 9

General Assembly - Calling, Meetings, and Decision-making

- 9.1 Ordinary as well as extraordinary General Meetings will be convened by the Management upon the Board's decision in written form, indicating time, location and agenda at least two weeks prior to the meeting. Calling Meetings via telefax and e-mail is permissible.
- 9.2 Ordinary General Meetings usually take place once a year. Extraordinary General Meetings will be called as required or in case a minimum of 25 per cent of the full members demand a General Meeting in written form incl. justifications.
- 9.3 The General Meeting takes decision on changes in the Statutes and the dissolution of the association by majority of three quarters, in all other matters by simple majority of the votes cast. In the event of a tied vote, a motion shall be deemed to be rejected. Abstentions are regarded as votes not cast.
- 9.4 Motions for extensions to or modifications of the agenda must be submitted to, and received by, the association's Berlin office at least three weeks before the Meeting.
- 9.5 Proposals not included in the agenda according to paragraph 9.4 can only be negotiated and voted on upon prior, positive decision by the General Meeting. This does not apply to resolutions that may alter the statutes, internal procedures and the association's dissolution unless all full members are present and agree.

- 9.6 Absent members may be represented by proxy. Proxies must have a written authorisation and themselves be full members entitled to vote.
- 9.7 The General Assembly is a quorum without regard of the number of members present or represented.
- 9.8 Unless the statutes indicate otherwise, the chair of the Meeting determines the form of decision-taking. Upon application of at least one full member, a secret ballot must be taken

§ 10

Board

- 10.1 The Board is responsible for all issues affecting the association unless these have been transferred to the General Meeting. The Board is incumbent to managing the association, executing the resolutions passed by the General Assembly and administrating the association's assets. It lays down the general rules for the procedures and operation of the Management.
- 10.2 The Board comprises up to six members.
- 10.3 The General Assembly elects up to six Board Members for a term of three years. The Board has the right to make suggestions regarding the vote. Re-election shall be permissible. Only members of the association, or in the case of legal persons, representatives of the member, can become Members of the Board.
- 10.4 The Board Members elect from amongst themselves the Executive Member of the Board.
- 10.5 The function of the Board starts with the termination of the General Assembly which has elected them and terminates at the end of the next General Assembly which elects a new Board.

- 10.6 The Board elects from among themselves a Chairman, a Vice Chairman and an Executive Member of the Board.
- 10.7 According to § 26 BGB, the Board is formed by Chairman, Vice Chairman and Executive Member of the Board.
- 10.8 The Association will be duly represented by two of the Members of the Board.
- 10.9 The representation authority of the Board is restricted against third-parties in the sense of § 26 Abs. 2 S. 2 BGB that purchasing or selling (mortgage rights), and also credit acceptance of more than € 25.000,00 (in words: twentyfivethousand Euros), can only be handled with the agreement of the general assembly.
- 10.10 The Board shall adopt its own rules of procedures.

§ 11

Board of Trustees

- 11.1 The Board of Trustees advises and supports the Board and its work.
- 11.2 Members of the Board of Trustees will be proposed by the Board and elected by the General Assembly for a term of three years. Re-election is permissible. Beside full members, sustaining and honorary members can be appointed members of the Board of Trustees, in specific cases also non-members.
- 11.3 The Board of Trustees' members can exercise their rights in the Board of Trustees meetings only in person.
- 11.4 The Board of Trustees comprises at least four members.
- 11.5 The Board will issue Rules of Procedure for the Board of Trustees.

§ 12

Minutes

Written records (minutes) on the decisions by any General Meeting shall be prepared which have to be signed both by the chair of the meeting and the secretary (keeper of the minutes) of the meeting appointed by the chair.

§ 13

Managing Board

13.1 For the execution of management responsibilities and tasks, the association maintains a head office led by the Executive Member of the Board and staffed with the required number of further personnel.

13.2 The Executive Member of the Board conducts any business and transactions according to the Board's instructions and represents the association on the basis of the authorisation granted to him/her.

§ 14

Representations Abroad

The association can hold representations in Middle and Eastern European countries.

§ 15

Contributions, Fees

15.1 The amounts of the accession and membership fees are determined by the General Meeting.

15.2 Fees are due for the current fiscal year respectively.

15.3 The obligation to pay fees due is not affected by the termination of membership.

15.4 The Executive Member of the Board can defer the fees.

15.5 In exceptional cases, the Board can reduce or waive the fees.

15.6 The Board can decide that accession or membership fees can be delivered by provision of services, knowhow or the like instead of money.

§ 16

Changes in the Statutes by the Board

The Board is entitled to change the statutes in terms of their mere wording in case these changes are demanded by the

- registration court during registration proceedings or
- financial authorities for granting the recognition as a non-profit organization.

§ 17

Termination

17.1 The association can be dissolved upon a resolution by the General Meeting. This kind of resolution requires a majority of three quarters of votes cast.

17.2 The Board is responsible for completing the liquidation of the association.