



By-Laws **MTM ASSOCIATION e. V.**

B Y - L A W S

MTM ASSOCIATION e. V.

§ 1

Name and Registered Office

1. The association bears the name "MTM ASSOCIATION e. V."
It has been entered into the register of associations.
2. The association enters into business transactions with the further addition "Standards & Research".
3. The association has its registered office in Hamburg.

§ 2

Purpose of the Association

1. The purpose of the Association is
 - a) to promote research and science, and
 - b) to promote public and vocational training.
2. The statutory purpose is achieved mainly by
 - a) supporting work and time management (IE and Office Engineering),
 - b) spreading MTM (Methods-Time Measurement), a worldwide standardized process language, for example through participation in international meetings and conferences, and supporting its consistent and correct application in practice;
 - c) carrying through and supporting research and development work in the field of work and time management all over the world, in favor of the consistent advancement of MTM (for example by cooperating with universities and participating in international research projects), and making the results of this research and development work available to the public;

- d) maintaining and assisting the exchange of experiences and opinions related to MTM research and development work, and the application of MTM in the field of work and time management;
- e) providing worldwide information and training for further vocational training (**even** e-learning), as well as, granting application authorizations and instructor licenses, based on defined training and examination regulations;
- f) maintaining the exchange of experiences and opinions with MTM associations of other countries and support for the international dissemination of MTM.

§ 3 Non-Profit Status

1. The activities of the association, based in Hamburg, are solely and directly for purposes that are tax exempt pursuant to the relevant section of the revenue code.
2. The association is a non-profit organization; it is not primarily in the business of making money.
3. The association's assets must be used only for the purposes defined in its by-laws. Members are not granted benefits out of the association's assets.
4. No person must be advantaged by expenses extraneous to the defined purposes of the association, or by inadequate remuneration.
5. In the case of the liquidation or dissolution of the association, or the discontinuation of its tax-privileged status, the association's assets will fall to the benefit of a corporate body under public law, or another tax-privileged body for the purpose of
 - a) the promotion of research and science, and
 - b) the promotion of public and vocational training.

§ 4 Membership

1. Types of Membership

Any domestic or foreign natural person, any domestic or foreign legal person, private or public, or any corporate entity may become a member of the association. The following types of membership exist:

- a) Companies
- b) Corporations and authorities
- c) Individual members
- d) Honorary members

2. Beginning of Membership

Applications have to be addressed in written to the association's executive office. The association's board will decide on the admission to the association. If admission is denied, no statement of reasons is required.

A person who has rendered outstanding services to MTM ASSOCIATION e. V. may be awarded honorary membership by the association's board.

3. Termination of Membership

Membership may be terminated by:

- a) Voluntary resignation to be declared in written and sent by registered mail to the association's executive office, with three months' notice to the end of the business year
- b) The death of a natural person, the termination of an artificial person
- c) Exclusion from the association

4. Exclusion from the association

After hearing the member the board can make the decision, supported by at least 3/4 of all votes, to exclude the member from the association for a compelling reason, in particular if

- a) the member deliberately infringes the purposes of the association, or refuses to observe decisions achieved according to the rules by the organs of the association,
- b) the member is behind with the payment of the membership fee, despite two written notifications, and / or
- c) bankruptcy proceedings have been instituted against the member, or have been dismissed for lack of assets;

§ 5 Membership Fees

Membership fees are to be paid annually. They are due at the beginning of the relevant business year. The amount of fee and the maturity will be submitted by the board and decided upon by the general meeting.

§ 6 Organs of the Association

Organs of the association are:

1. General Meeting (§ 7 of these by-laws)
2. Board (§ 8 of these by-laws)
3. Management (§ 9 of these by-laws)

§ 7 General Meeting

1. General meetings are convened by the board, or by the management on behalf of the board.
2. Ordinary general meetings are held at regular intervals once a year.
3. Extraordinary general meetings may be convened on decision of the board or based on a written request supported by at least 1/5 of all members.
4. Invitations, together with the agenda, to the general meetings have to be issued at least four weeks prior to the meeting. The period starts with the day when the invitations are carried to the post office. The day of the meeting is not included in this period.
5. If members wish to add to the agenda of the general meeting, they have to hand in their written request to the board no later than two weeks prior to the meeting. All other members have to be informed about these requests no later than one week prior to the meeting. The general meeting will decide whether the requests will be added to the agenda.
6. The general meeting exercises the rights to which it is entitled by law and these by-laws. In particular, it is responsible for the
 - a) election of the board members,
 - b) receipt and approval of the cash report for the preceding business year,
 - c) receipt and approval of the financial statement on the preceding business year,
 - d) discharge of the board for the preceding business year,
 - e) receipt of the financial statement for the current business year,
 - f) approval of the budget for the coming business year,
 - g) election of the auditor of annual accounts,
 - h) discharge and election of the comptrollers,

- i) fixation of the amount and maturity of the annual fees,
 - j) modification(s) to the by-laws, and the
 - k) liquidation or dissolution of the association and the future use of the association's assets in this case.
7. The president of the board or one of the vice presidents acts as chairman at the general meeting.
 8. Minutes are taken to record the course of the meeting. They are signed by the respective chairman and the respective keeper of the minutes.

They should minimum contain: venue, day and time of the meeting, names of the chairman and the keeper of the minutes, number of participating members, statement on the duly convocation of the meeting, agenda, results of the individual votes, and voting procedure. In the case of changes to the by-laws the exact wording shall be stated.

9. Every member has one basic vote. Apart from the basic vote, company members have additional votes according to their number of employees:

More than	200 employees	1 additional vote
More than	400 employees	2 additional votes
More than	700 employees	3 additional votes
More than	1.000 employees	4 additional votes
More than	3.000 employees	5 additional votes
More than	5.000 employees	6 additional votes
More than	10.000 employees	7 additional votes

The number of additional votes is based on the average number of employees of the previous year and is re-determined annually by the board.

10. All decisions made by the general meeting are ordinary resolutions. Abstentions from voting are not considered. Decisions on changes in the by-laws require a majority of 3/4 of the votes cast. A modification of the purpose or the liquidation of the association requires a majority of 3/4 of the total number of member votes.
11. Vote by proxy is admissible. The power of representation must be proven by a letter of attorney.

§ 8 The Board

1. Pursuant to these by-laws, the board consists of a minimum of five and a maximum of nine board members. The board members should represent member companies from various branches of economy and industry that are using the MTM method.
2. The board is elected for a period of three years. So-called block election is permissible. The board remains in office until the election of a new board. Re-election is permissible. With the termination of membership of the member company represented by a board member, the time in office of this board member also ends.

On resignation of a board member during her or his period of office, the board will elect an alternate member for the remaining time of office of the resigned member.
3. The board elects from its midst the chairman and two deputies.
4. Pursuant to § 26 BGB (Bürgerliches Gesetzbuch – German Civil Code) the board consists of the chairman and two deputies only. It represents the association in judicial and extrajudicial affairs. Every individual member of the board may represent the board as a whole and, therefore, has to be entered into the register of associations.
5. The board is responsible for all matters concerning the association, unless the matter has been assigned to another organ of the association, either by law or the association's by-laws. In particular, the board is in charge of
 - a) Running the association in line with its by-laws. In this, the board will be supported by the Examination Board and other committees to be initiated by the board as required. The board shall issue standing orders for the activities by the committees of MTM ASSOCIATION e. V.
 - b) Establishing and controlling the budget.
6. The board meets at least twice a year.
7. Board meetings are called and presided by the chairman or one of the two deputies.
8. The board is quorate if at least half the board members are present. Every board member has one vote.

All decisions made by the board are ordinary resolutions, unless the by-laws provide differently; at a parity of votes the chairman's vote will be decisive.

9. The board may even make decisions outside a board meeting, in written by telefax or e-mail, if no board member objects and all board members participate in the vote. In addition, the conditions stated in § 8 apply.
10. The board shall define standing orders that have to be passed unanimously.
11. The board members work in an honorary capacity. They may be reimbursed for necessary and evidenced expenses. D&O insurance may be taken out for board members, covering pecuniary damage liability, legal protection and casualty insurance.
12. Board members are liable to the association and its members for damages, resulting from the performance of their duties as board members, only in case of intent or gross negligence. Should the board members be held liable by third party for damages resulting from the performance of their duties as board members without intent or gross negligence, they are entitled to reimbursement by the association for expenses required for their protection, as well as, for indemnification against claims by third party.

§ 9 Management

1. A full-time managing director shall be in charge of the current business of the association, including financial operations. In addition to the board members, the managing director shall act as special representative in judicial and extrajudicial affairs, pursuant to § 30 BGB. The designation of the managing director has to be entered into the register of associations.
2. The managing director conducts the operational business according to the guidelines established by the board.
3. The managing director and special representative is appointed and relieved from office by the chairman of the board, backed on at least the ordinary majority of the votes of all members; she or he cannot be a member of the board at the same time.

The termination of her or his employment contract, whatever the reason, automatically ends her or his function as representative of the association also. The same applies if she or he resigns.

4. The managing director is responsible and obliged to report to the board on all important activities within the association.
5. The board decides on the remuneration of the managing director. D&O insurance may be taken out for the managing director, covering pecuniary damage liability, legal protection and casualty insurance.

§ 10 Invoicing

1. The association's billing consists of annual accounts (balance sheet together with a profit and loss account complete with appendix) and an account of the application of funds.
2. The annual accounts and the account of the application of funds have to be submitted to a chartered accountant for auditing. The board presents the annual accounts, complete with the audit result and the board's statement, to the ordinary general meeting for approval.
3. The auditors shall perform an accounts and cash audit at least once a year, and report the results of their audit in written to the board and the general meeting.

§ 11 The Business Year

The business year is the calendar year.

§ 12 Taking Effect of the By-Laws

These by-laws take effect on the day of the decision made by the foundation meeting. Modifications to the by-laws will take effect on the day of the decision made by the general meeting.

Frankfort on the Main, October 18, 1962

By-laws modified on decision by the general meeting
Frankfort on the Main, December 11, 1964

By-laws modified on decision by the general meeting
Stuttgart, November 23, 1972.

By-laws modified on decision by the general meeting
Frankfort on the Main, November 15, 1984

By-laws modified on decision by the general meeting
Stuttgart, November 11, 1993

By-laws modified on decision by the general meeting
Stuttgart, October 25, 2012

By-laws modified on decision by the general meeting
Stuttgart, October 25, 2017

By-laws modified on decision by the extraordinary general
meeting Heilbronn, May 10, 2019