

# **Constitution of the Foundation of the European Ramblers Association**

Stavanger, Norway. 14. September 2012

## **§ 1 Name, registered office and legal form**

The Foundation is registered under the name of the 'European Ramblers' Association Foundation'. It is a foundation in private law registered in Stuttgart.

## **§ 2 Purpose of the Foundation**

The Foundation supports the objectives of the European Ramblers' Association as stipulated by its Constitution, in particular:

- measures concerning the creation and maintenance of trans-frontier paths without let or hindrance and their use by walkers;
- measures, which, for the purposes of recreation and leisure, aid the protection of the countryside and the environment whenever responsible use places demands on these;
- measures aiding the protection and maintenance of the European cultural heritage;
- activities which serve to strengthen greater understanding between the peoples and nations of Europe.

The Foundation pursues solely and primarily aims beneficial to the community in terms of the Article on „tax-favoured purposes“ of the Taxation Law. It acts independently. It does not pursue its own economic aims first and foremost. These aims will be effected particularly through monies passed on to the European Ramblers Association which in its turn has been recognised as an association beneficial to the community and is also registered in Stuttgart.

## **§ 3 Assets of the Foundation**

The assets of the Foundation consist of the founders' donations. At the moment of the creation of the Foundation the assets amount to 90,000 EUR (ninety thousand Euros) which the founders contributed in cash.

The assets of the Foundation could also consist of donations from other specific gifts or subsidies from various organisations, associations and other third parties.

The founders are those donors who contribute to the Foundation a capital sum of at least € 3000. Higher amounts can also be donated in smaller instalments.

Assets including other possible donations can only be used for those objectives laid down in the constitution. The Foundation Board governs the Foundation in such a way that the realisation of the Foundation's objectives can be seen to be permanently and thoroughly guaranteed. Nobody can be shown favour through expenses, services, or subsidies, which are not in accord with the Foundation's aims, nor be awarded disproportionately high remuneration.

The Foundation finances activities promoting the fulfilment of its goals out of the

returns from the foundation's assets. The administration costs will be covered from the returns.

The financial year is the calendar year.

#### § 4 Organs of the Foundation

- The Foundation Forum
- The Foundation Council

The Foundation Forum consists of the donators. For every 3,000 EUR contributed to the Foundation funds donators have one vote

The Foundation Council has 5 members. They are appointed by the Praesidium of the European Ramblers Association. Of these at least 3 members are to be appointed from the donating member associations of the ERA that contributed at least 6,000 EUR. The right to nominate these members is reserved to the boards of the individual member associations. If more than 3 representatives are nominated the order is decided upon by the ERA Presidium giving due regard to the amount contributed to the Foundation capital.

As required by the Civic Code (German *Bundesgesetzbuch –BGB*), the Board is made up of the chairman and the vice-chairman of the Foundation Council. They are to be elected from the members of the Foundation Council. All members of the Foundation Council and of the Board hold office in an honorary capacity.

The Foundation Council's term of office is 4 years.

#### § 5 Duties of the Organs

The Foundation Forum is to be informed by the Foundation Council about substantial issues concerning the Foundation's orientation. A meeting of the Foundation Forum can be called if necessary.

The Council is responsible for the administration and investment of the Foundation's assets with the due care and diligence of a law abiding businessman. The Council takes decisions regarding the use of available assets in the terms laid down in § 2 of the Constitution based on proposals submitted by the committees of the European Ramblers Association. The Council also takes decisions regarding the expenses of Council members or the Board. The Foundation Council shall take measures to further the standing of the Foundation and acquire further donations for its capital .

The Board carries out the day-to-day business activities. In particular, the Board shall prepare submissions for the Foundation Council and take care of invitations and the running of Foundation Council meetings. For judicial and extra-judicial purposes the Foundation is represented by the Board. It acts as a legal representative through the chairman and the vice-chairman. In accordance with the founders' requirements, the first Board is made up of the president of the European

Ramblers Association as chairman and of the president of the Verband der Deutschen Gebirgs- und Wandervereine as the vice-chairman. The Board can with the approval of the Foundation Council appoint a business director.

#### § 6 Changes to the Constitution and its aims, the Amalgamation and the Dissolution of the Foundation

Amendments to the Constitution are allowed provided they safeguard the aims of the Foundation and are in accord with the original will of the founders and/or if they prove necessary for the maintenance of the Foundation's continuing operation.

Decisions about the amendment of the Foundation's goals as well as about the amalgamation or the dissolution of the Foundation are only allowed if a permanent and effective fulfilment of the foundation goals becomes impossible or proves to be no longer meaningful in the light of substantial changes to circumstances. The decisions need a two thirds majority of votes of the Foundation Council members. The Foundation Forum is to be consulted beforehand. The decision together with a tax office statement is to be submitted to the Foundation Regulatory Authority for approval.

If, in exceptional circumstances, the aims of the Foundation cannot be effected in any other way and the continued existence of the Foundation for an appropriate period of time is to be assured, recourse at the request of the Foundation Council to the capital assets of the Foundation's funds requires the permission of the supervisory authority.

#### § 7 Devolution of assets in the case of dissolution

If the Foundation is dissolved, its assets will be ceded to the European Ramblers Association or to the national member organizations according to their share in the foundation capital if these were tax-privileged donations

The dissolution of the Foundation and the devolution of its assets require the approval of the tax authorities.

#### § 8 Regulatory Authority

The Foundation is subject to state regulations according to the current legislation governing foundations.

The regulatory authority is the governmental board in Stuttgart.

Within six months after the end of the fiscal year, the Foundation Council shall submit to the regulatory authority an annual financial statement, a balance sheet and a report on the fulfillment of the Foundation's goals. A list of the Foundation Council members shall be attached to the report.