

AGITOS

Foundation

Developing Sport,
Changing Lives

Agitos Foundation Constitution

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Translated from German

Agitos Foundation

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1 Name, legal form, registered office of the Foundation

- 1.1 The name of the Foundation is: Agitos Foundation
- 1.2 It is a legal foundation according to German Civil Law with its registered office in Bonn.
- 1.3 The financial year is the calendar year.

2 Purpose of the Foundation

- 2.1 The Foundation exclusively and directly pursues only non-profit purposes as defined in the relevant section „Tax-Privileged Purposes“ of the German Tax Code.
- 2.2 The purpose of the Foundation is to promote sport for athletes with an impairment without any discrimination based on political, religious or economic reasons, or discrimination against disability, gender or race. Furthermore, the Foundation supports and encourages educational, cultural and scientific activities that contribute to the development and promotion of the Paralympic Movement.
- 2.3 The purpose of the Foundation is achieved by all the activities that directly or indirectly support the Paralympic Movement. This includes activities to support the Paralympic Games, Paralympic Sports and development initiatives with members of the Movement. Furthermore, the purpose of the Foundation is fulfilled by the acquisition of funding for the International Paralympic Committee e.V. (IPC) in order to implement its tax-privileged purposes.
- 2.4 The Foundation acts selflessly, it shall not primarily pursue commercial purposes.
- 2.5 The funds of the Foundation may only be used within the limits of the purposes of the constitution. The founder and his legal successors do not receive any funding from the resources of the Foundation.

3 Endowment Fund of the Foundation

- 3.1 The initial endowment fund results from the founding pledge of the foundation and is made up of a cash contribution of € 50,000, -.
- 3.2 The endowment fund of the Foundation must be kept at its value. In exceptional cases and with the consent of the Foundation Authority up to 15% of their value can be used, if the purpose of the Foundation cannot be achieved in any other way and it is ensured that the amount will be paid back in full within the following three years. The realisation

of the purposes of the Constitution must not be considerably restricted by this transaction.

- 3.3 The funds of the Foundation may be redeployed. Financial benefits derived from redeployment may be used in full or in part to fulfil the purpose of the Foundation. Paragraph 2, Clause 1 must be taken into consideration.
- 3.4 All contributions that are earmarked as such will be added to the endowment fund of the Foundation.

4 Use of the Return on Investment and Donations

- 4.1 Returns on investment of the endowment fund, and any other donation that is not intended as an endowment, must be used promptly in accordance with tax legislation to fulfil the Foundation's purpose. Unrestricted or restricted financial reserves can be created if permitted under tax law. Unrestricted reserves may be transferred in full or in part to the Foundation's endowment fund. Any positive financial result may be transferred in full or in part to the Foundation's endowment fund during the year of establishment and the following two calendar years.
- 4.2 Donations, which are earmarked by the donor as additions to the endowment fund or result from capital campaigns, must be added to the endowment fund. Donations received from last wills, which are not specifically dedicated to satisfy the Foundation's purpose in the short term, may also be transferred to the endowment fund.
- 4.3 No person may benefit from payments that do not comply with the purpose of the Foundation based on these Constitution.

5 Legal Status of the Beneficiaries

The beneficiaries of the Foundation are not eligible to claims against the Foundation based on this constitution.

6 Governing Bodies of the Foundation

- 6.1 The governing bodies of the Foundation are
 - a) the Executive Committee ("Stiftungsvorstand")

b) the Board of Trustees

- 6.2 Membership of the Executive Committee and the Board of Trustees at the same time is not permitted.
- 6.3 The members of the bodies are personally liable only if acting with intent or gross negligence.
- 6.4 The definition and tasks of these bodies are specified in the appropriate sections of this constitution. Rules of procedure may regulate the specific details.

7 The Executive Committee (Stiftungsvorstand)

- 7.1 The Executive Committee consists of up to five members who are appointed by the IPC, represented by its Governing Board. Ex officio the following members of the IPC are automatically nominated as members of the Executive Committee: The Vice Chairman, the CEO and at least one further member of the IPC Governing Board.
- 7.2 The Chairperson of the Executive Committee is appointed by the IPC, which is represented by its Governing Board.
- 7.3 The Deputy Chairperson of the Executive Committee is the CEO of the International Paralympic Committee e.V..
- 7.4 The members of the Executive Committee generally act on a voluntary basis for the Foundation. They shall not receive any financial benefits. Any reasonable costs incurred can be reimbursed in accordance with a decision taken by the Board of Trustees, insofar as the Foundation's revenues permit it. The Chairperson of the Executive Committee may be paid an appropriate remuneration based on a contractual agreement, insofar as the income of the Foundation is sufficient to allow for this.
- 7.5 In accordance with the Constitution of the IPC, the normal term of office shall be four years. Members remain in office until a new election has taken place.

No member can be part of the Executive Committee for more than three consecutive terms of office.

Members appointed due to their position on the IPC Governing Board or within organisations of the Paralympic family must vacate their position on the Executive Committee immediately following their departure from the position within their delegating organisation.

8 Rights and Obligations of the Executive Committee

- 8.1 The members of the Executive Committee are representatives of the Foundation in court and out of court. The Executive Committee is the legal representative according to the law (§ 26 German Civil Code, BGB). The Chairperson and the Deputy Chairperson each have individual power of legal representation. All the other members of the Executive Committee each have the power of legal representation together with another member.
- 8.2 The Executive Committee must fulfil the will of the founder as effectively as possible within the framework of the Foundation Law and this Constitution.

Its tasks are in particular:

- 8.2.1 Management of the Foundation's endowment, including bookkeeping and compiling the annual accounts.
- 8.2.2 Running the day-to-day business operations as well as proposing suggestions for the Foundation's long-term development.
- 8.2.3 Implementation of decisions by the Board of Trustees.
- 8.2.4 Development of rules of procedure, insofar as they are needed to fulfil the tasks.
- 8.2.5 The Executive Committee may install a professional office and employ a CEO to run the latter.

9 Board of Trustees

- 9.1 The Board of Trustees consists of up to nine members. At least five members must be members of the IPC Governing Board.
- 9.2 The IPC, represented by the Governing Board, appoints the members of the Board of Trustees and elects the Chairperson and the latter's deputy.
- 9.3 In accordance with the Constitution of the IPC, the term of office shall be four years. Members remain in office until a new election has taken place.

No member can be part of the Board of Trustees for more than three consecutive terms of office.

Members appointed due to their position on the IPC Governing Board or within organisations of the Paralympic family must vacate their position on the Board of Trustees immediately following their departure from the position within their delegating organisation.

10 Rights and Obligations of the Board of Trustees

- 10.1 The Board of Trustees supervises and controls the work of the Executive Committee.
Among other duties, the Board of Trustees is responsible for:
- 10.1.1 Approval of the budget
 - 10.1.2 Approval of the annual accounts
 - 10.1.3 Discharge of the Executive Committee
 - 10.1.4 Decisions about the use of the income from the endowment fund and other income
 - 10.1.5 Determination of the nature and amount of reimbursements for members of the Executive Committee
 - 10.1.6 Decisions concerning §§ 14 and 15.
- 10.2 The members of the Board of Trustees act on a voluntary basis for the Foundation. They shall not receive any financial benefits. Any reasonable costs incurred can be reimbursed in accordance with a decision taken by the Board of Trustees.
- 10.3 The Board of Trustees can nominate up to three members without voting rights onto the Board for a certain time. The periods of this membership are not to be taken into consideration for the limitations of normal periods of office.

11 Resolutions

- 11.1 The Executive Committee and the Board of Trustees shall be competent to pass a resolution if at least half of its members entitled to vote are present. The right to vote is not transferable between members; i.e., voting by proxy is not permitted. All resolutions require a simple majority of 3/4 of the members of the Executive Committee and the Board of Trustees. For the purpose of calculating whether an appropriate majority has been obtained in any vote, an abstention or a vote which is not exercised shall not be treated as a vote. A simple majority is reached when 50% + one vote is obtained of the total number of votes cast in favour or against the motion. In case of equal votes, the vote of the Chairperson shall decide.
- 11.2 All means of modern communication can be used to deliver invitations.

- 11.3 If all members agree, voting can take place via modern means of communication, especially in written, electronic format or by telephone.
- 11.4 Minutes must be taken in writing on all decisions. They must be signed by the Chairperson.
- 11.5 The Chairperson will chair the meetings. In case of his/her absence or if necessary, the Deputy Chairperson will take on his/her tasks.

12 CEO

- 12.1 A CEO can be employed. He/she is appointed by the Executive Committee and runs the Foundation based on the rules of procedures/terms of reference laid out by the Executive Committee.
- 12.2 The CEO can be given the right as a special representative according to §30 BGB.
- 12.3 The CEO is bound by directions from the Executive Committee.
- 12.4 The CEO takes part in all meetings of the bodies of the Foundation without voting rights.

13 Supporting Committees

In support of the operative running of the Foundation, the Executive Committee can appoint supporting committees. The Executive Committee regulates details on each supporting committee within according rules of procedures.

14 Changes to the Constitution

- 14.1 The Executive Committee with the consent of the Board of Trustees is entitled to approve changes to the Constitution that do not affect the purpose of the Foundation.
- 14.2 The Board of Trustees and the Executive Committee can jointly change the purpose of the Foundation or decide on a new purpose if the fulfilment of the purpose of the Foundation no longer seems possible due to a fundamental change in circumstances. Any decision to change the purpose requires a majority of 3/4 of the members of the Board of Trustees and the Executive Committee. The new purpose of the Foundation must also be tax-privileged. The decision must be authorised by the Foundation Authority.

15 Dissolution of the Foundation/Merger

The Board of Trustees and the Executive Committee may jointly dissolve the Foundation or merge with one or more tax-privileged foundations. This decision requires a 3/4 majority vote and can only be considered when conditions are such that they prevent the fulfilment of the purpose of the Foundation and when a new purpose according to §14 Para. 2 cannot be taken into consideration. The Foundation created as a result of the merger must also be tax-privileged. The decision must be approved by the Foundation authority.

16 Accumulation of assets

In the case of a dissolution or termination of the Foundation or if the tax-privileged purpose lapses, the assets shall be transferred to the International Paralympic Committee e.V. (IPC). These assets can be used only and directly for tax-privileged purposes.

17 Foundation Authority

- 17.1 The Foundation Authority is the District Council of Cologne; the highest Foundation Authority is the Ministry of the Interior of North Rhine-Westphalia. The powers of these bodies regarding recognition and consent must be respected.
- 17.2 The Foundation Authority must be informed about all issues regarding the Foundation upon request. Annual accounts must be submitted every year without being prompted.

18 Role of the Tax Office

Regardless of the special obligations to obtain a permit stated in the Foundation Law, resolutions regarding changes to the Constitution and the dissolution of the Constitution and the dissolution of the Foundation must be reported to the respective tax authority. In the event of changes to the Constitution that relate to the purpose of the Foundation, the tax authority shall be consulted in advance with regard to the tax privileged status.

19 Language

The administrative language of the Foundation is German. Internal communication is conducted in English. This Constitution is drawn up in German and English. The German version is binding. The text has been adjusted for the English version.

20 Entry into force

The Constitution shall enter into force on the date the certificate of approval is issued.

The new composition of the bodies will be decided in the subsequent meeting of the IPC Governing Board. Until then the existing bodies and their members shall remain in office.

21 Law

German legislation is binding for the Agitos Foundation and its Constitution.