

**Articles of Association
of
Wissenschaftszentrum Berlin für Sozialforschung gGmbH**

(as of December 4, 2014)

**Article 1
Name and Headquarters**

- (1) The name of the Corporation shall be “Wissenschaftszentrum Berlin für Sozialforschung gGmbH”.
- (2) The Corporation’s headquarters is in Berlin.

**Article 2
Tasks and Basic Principles of the Corporation**

- (1) The Wissenschaftszentrum Berlin für Sozialforschung is an organization supporting basic social science research in selected problem areas. It operates scientific entities and promotes the dissemination of findings in the social sciences amongst scientists and practitioners.
- (2) The Corporation shall pursue exclusively peaceful purposes; it shall fulfill its tasks, above all scientific research, freely and independently. It shall encourage young scientists. It may award grants from its own funds for this purpose. Further details are set forth in the rules governing grants (*Stipendienordnung*).
- (3) In fulfilling its tasks it shall work in co-operation with scientific, cultural, business and political institutions.
- (4) It shall promote contact and exchange between its own entities and other academic institutions both within and outside of universities in Germany and abroad.
- (5) The results of the Corporation’s scientific work shall be published.

**Article 3
Share Capital and Initial Contributions**

- (1) The share capital amounts to DM 50,000.00 (in words: fifty thousand German marks).
- (2) Of the share capital, the Federal Republic of Germany has assumed capital contributions to the total value of DM 24,000 and a further capital contribution of DM 13,500, and the Land Berlin has assumed initial contributions to the total value of DM 8,000 and a further initial contribution of DM 4,500.

Article 4
Organs of the Corporation

The organs of the Corporation shall be:

the Shareholders' Meeting	(Articles 5 - 7),
the Board of Trustees	(Articles 8 - 12),
the director for academic affairs and the director for administrative affairs (the management)	(Article 13),
the Academic Council	(Article 15).

Article 5
Tasks of the Shareholders' Meeting

The Shareholders' Meeting shall take decisions, in particular concerning:

- a) changes to the Articles of Association,
- b) liquidation of the Corporation,
- c) appointment and dismissal of the director for academic affairs and the director for administrative affairs pursuant to Article 13 (2) and (5),
- d) approving the acts of the director for academic affairs, the director for administrative affairs and the members of the Board of Trustees,
- e) claims for compensation by the Corporation against the director for academic affairs, the director for administrative affairs and members of the Board of Trustees,
- f) disposal of Corporation shares or of parts thereof,
- g) use of the Corporation's assets upon liquidation of the Corporation,
- h) basic principles of management,
- i) adoption of the annual financial statements,
- k) appointment and dismissal of members of the Board of Trustees pursuant to Article 9 (2) b), c) and d),
- l) appointment of the auditor of the annual financial statements,
- m) approval of issuing and revoking a general commercial power of attorney (*Prokura*).

Article 6
Convening of the Shareholders' Meeting

- (1) The chair of the Shareholders' Meeting shall be the chairperson of the Board of Trustees or, if he/she is prevented from attending, a deputy appointed by him/her.
- (2) The Shareholders' Meeting shall be convened on behalf of its chairperson by the Management upon request from a shareholder.

- (3) The Meeting must be convened within a notice period of three weeks. The venue, time and agenda must be notified and the documents must be sent. The day on which the document convening the meeting is sent out and the day of the Shareholders' Meeting shall not be included in the calculation of the period of notice.
- (4) Within the first eight months of every financial year an Ordinary Shareholders' Meeting must take place, which has the task of adopting the annual financial statements and deciding whether to approve the acts of the director for academic affairs, the director for administrative affairs and the members of the Board of Trustees.

Article 7

Decision-making in the Shareholders' Meeting

- (1) Voting rights shall be determined by the shares in the share capital.
- (2) Decisions on
 - a) changes to the Articles of Association,
 - b) the admission of new shareholders,
 - c) the liquidation of the Corporation,
 - d) the use of the Corporation's assets after liquidation of the Corporation,
 - e) appointment and dismissal of the director for academic affairs and the director for administrative affairs require unanimity.
- (3) If the decisions of the Shareholders' Meeting are not notarized, they and the major course of negotiations shall be set down in a written document, which shall be signed by the chairperson of the Shareholders' Meeting and a recording clerk.
- (4) Decisions of the Shareholders' Meeting may also be taken without the shareholders coming together, by written agreement, if no shareholder objects to this procedure without delay.
- (5) The Shareholders' Meeting shall be quorate when the share capital is fully represented.

Article 8

Tasks of the Board of Trustees

- (1) The Board of Trustees shall decide upon the basic directions of the Corporation's research policy and shall play an active role in all major research-policy and financial matters of the Corporation.
- (2) The following matters require the approval of the Board of Trustees:

- a) establishment and termination of Research Areas, Research Units and their thematic orientation,
 - b) the Rules of Procedure for the director for academic affairs and the director for administrative affairs and the rules for making appointments,
 - c) basic principles and guidelines for regulations of the Academic Council, of the Research Areas and of the Research Units,
 - d) appointment and dismissal of the director for academic affairs after consultation with the Academic Council,
 - e) the convening of bodies making appointments,
 - f) appointment and dismissal of the research directors and of the research professors,
 - g) changes to the Articles of Association, on matters that concern the Board of Trustees.
- (3) The Board of Trustees shall monitor the legality, expediency and economic efficiency of the director for academic affairs and the director for administrative affairs and through its chairperson it shall mandate the auditor of the annual financial statements. The approval of the Board of Trustees is required for:
- a) concluding and amending non-pay-scale employment contracts and granting payment at rates above the collectively agreed level or not governed by the collective pay scale, and concluding and amending fee contracts in which continuing remuneration is envisaged that exceeds an amount set by the Board of Trustees;
 - b) the annual business plans, and financial plans spanning several years, including the expansion and investment programs; the research programs spanning several years and reports on the assessment of the results of the scientific work relating to these plans are also to be submitted to the Board of Trustees for information purposes;
 - c) general remuneration and social regulations, in particular the execution of permanent social measures, measures of pay-scale application or pay-scale determination, the assumption of pension obligations, the pledge or provision of gratuities exceeding an amount set by the Board of Trustees; determination of guidelines for paying travel expenses, separation allowances and allowances for moving expenses, and for the use of motor vehicles;
 - d) extraordinary business transactions that may significantly influence the position or activity of the Corporation.
 - e) major business transactions between the Corporation and the directors, or persons or companies closely associated with them.
- (4) For certain types of business transactions the Board of Trustees may issue its general consent.

- (5) In individual cases of special urgency the consent of the chairperson and deputy chairperson shall suffice. The director for academic affairs and the director for administrative affairs must inform the Board of Trustees immediately.

Article 9

Composition of the Board of Trustees

- (1) The Board of Trustees shall consist of thirteen members with voting rights, acting in an honorary capacity.
- (2) Members with voting rights shall be the following:
 - a) the chairperson, who shall be appointed by the shareholder the Federal Republic of Germany, and the deputy chairperson, who shall be appointed by the shareholder the Land Berlin,
 - b) the presidents of the Berlin universities, who shall be appointed by the Shareholders' Meeting,
 - c) two members who shall be appointed by the Shareholders' Meeting by agreement with the German Bundestag,
 - d) six scientists from universities, non-university scientific entities or science organizations – including the international sphere – who shall be appointed by the Shareholders' Meeting after the Board of Trustees has given its approval. One scientist member of the Board of Trustees may be replaced by a public figure who can be expected to strengthen the WZB's connections into and with society.
- (3) Two elected scientific employees of the Corporation and the chairperson of the Advisory Board shall participate at the meetings of the Board of Trustees as advisory members.
- (4) Membership of the Board of Trustees shall be for a period of four years for the members defined in Section 2 c) and d) and Section 3. Members may be re-appointed.
- (5) A member of the Board of Trustees may resign from his/her office at any time. The vacant position shall be filled according to the rules set out above.

Article 10

Committees and Rules of Procedure of the Board of Trustees

- (1) The Board of Trustees may form committees from among its members. The Board of Trustees and the committees may call in experts who are not members of the Board of Trustees.
- (2) The Board of Trustees may independently decide to appoint evaluation committees for regular monitoring of the work of scientific entities; such committees are to be comprised of external scientists.

- (3) The Board of Trustees may pass Rules of Procedure for itself, in which the responsibilities and procedures of the committees may be regulated in detail.

Article 11
Convening of Meetings of the Board of Trustees

- (1) Meetings of the Board of Trustees shall be convened by the director for academic affairs and the director for administrative affairs on behalf of the Board's chairperson; meetings are to be convened upon the request of at least three members. Meetings must be convened at least twice every calendar year.
- (2) Meetings of the Board of Trustees must be convened within a notice period of three weeks, with notification of the venue, time and agenda of the meeting, and the documents must be sent. The day on which the document convening the meeting is sent out and the day on which the Board of Trustees meets shall not be included in the calculation of the period of notice.

Article 12
Decisions of the Board of Trustees

- (1) The Board of Trustees shall be quorate when the majority of its voting members are present or represented in accordance with Sections 2 and 3. The chairperson or his/her deputy must be among those present.
- (2) The members appointed to the Board of Trustees by the Federal Republic of Germany and by the Land Berlin may be represented by members of their administrations if they are prevented from attending meetings.
- (3) The presidents of the Berlin universities may be represented by a vice-president. If other members of the Board of Trustees are prevented from attending meetings, they may be represented by another member of the Board of Trustees holding a written authorization to act as proxy.
- (4) Decisions of the Board of Trustees shall be taken by a majority of the votes cast. In the case of a tie, the chairperson shall have the casting vote. Decisions concerning research and scientific-policy issues with significant financial impact or relating to the managers of the entities may not be passed contrary to the vote of the representative of the Land Berlin or the representative of the Federation.
- (5) Records shall be made of meetings of the Board of Trustees, in which the major course of the negotiations and the decisions are documented and which have to be signed by the chairperson of the Board of Trustees or by the member of the Board of Trustees that chaired the meeting.
- (6) These provisions shall also apply in the same manner to the committees.

Article 13

The director for academic affairs and the director for administrative affairs (the management)

- (1) The Corporation shall have two directors: the director for academic affairs and the director for administrative affairs. The directors shall conduct the business transactions of the Corporation according to the legal provisions applicable to the Corporation, the Articles of Association, and the decisions of the Shareholders' Meeting and of the Board of Trustees. The director for academic affairs and the director for administrative affairs shall be authorized to represent the Corporation acting alone.
- (2) The director for academic affairs shall be appointed by the Shareholders' Meeting with the approval of the Board of Trustees and after consultation with the Academic Council; dismissal shall occur in the same manner.
- (3) The office of director for academic affairs shall be called the president. He or she shall be responsible, in particular, for the following:
 - the co-ordination of the scientific entities of the Corporation,
 - the elaboration of the basic directions of the Corporation's research policy and the thematic orientation of the scientific entities,
 - the establishment and termination of Research Areas, Research Units and Research Groups,
 - the calling in of appointing and evaluating committees,
 - the appointment of the Research directors of Research units and the heads of Research Groups,
 - the appointment of research professors and guest professors,
 - after consultation with the Managing directors of the Research Areas, the distribution of the human and financial resources.
- (4) The director for academic affairs represents the Corporation. He/she shall select a deputy for scientific matters from among the Research directors.
- (5) The director for administrative affairs shall be appointed and dismissed by the Shareholders' Meeting by mutual agreement with the director for academic affairs.
- (6) The director for administrative affairs shall be responsible for the regulation of commercial, legal and administrative matters.
- (7) The director for academic affairs and the director for administrative affairs shall be appointed for a maximum period of six years; they may be re-appointed. The employment contracts shall be concluded, amended and terminated by the chairperson of the Shareholders' Meeting.
- (8) The director for academic affairs and the director for administrative affairs shall report to the Shareholders' Meeting and to the Board of Trustees on the course of the business transactions and the situation of the Corporation. In addition, they

shall report to the chairperson and deputy chairperson of the Board of Trustees if there is an important reason to do so, or upon their request.

- (9) If agreement is not reached between the directors, the director for academic affairs shall make the decision.
- (10) All other matters shall be governed by the director's for academic affairs and the director's for administrative affairs Rules of Procedure.

Article 14 **Scientific Entities**

- (1) The scientific work of the Corporation shall be carried out by Research Units, Research Groups and research professors. As a rule they shall be grouped into Research Areas; Research Groups and research professorships may also be set up directly under the director for academic affairs.
- (2) The Research Units shall be managed by Research directors and shall receive a standard amount of basic equipment.
- (3) The Research Areas shall have the task of organizing the processing of extensive topic areas through the cooperation of their Research Units, Research Groups and research professors. They shall be determined for a limited period, which may be extended. The Research Areas shall receive their own basic equipment for the duration of their term.
- (4) The management of a Research Area shall be carried out by one of the Research directors of the Research Units.
- (5) The Research directors of a Research area shall coordinate on important issues. This shall apply above all to:
 - statements of opinions on proposals for appointments for managing scientists,
 - the medium-term planning of the Research Area and
 - the distribution of funding for the basic equipment allocated to the Research Area.
- (6) Research groups shall be formed for a limited period; as a rule this shall be five years.
- (7) Guest professorships shall be limited to a maximum of three years.
- (8) The scientific employees of a Research Area shall form a Scientists' Meeting for consultation on scientific matters of their Research Area. The Scientists' Meeting may, contrary to decisions of the management of their Research Area, call for a decision by the Board of Trustees via the director for academic affairs.

Article 15
Academic Council

- (1) The Academic Council shall advise the Corporation in scientific matters and shall issue recommendations. The director for academic affairs, or one third of the members of the Academic Council, may demand that the Academic Council deals with a matter.
- (2) In the following matters the director for academic affairs must obtain the opinion of the Academic Council before making a decision:
 - a) establishment and termination of Research Areas, Research Units and Research Groups and their thematic orientation,
 - b) appointment and dismissal of the Research directors of Research Units, the heads of Research Groups and the research and guest professorships,
 - c) basic principles and guidelines for regulations for the Research Areas and the Research Units,
 - d) regulations governing the co-operation between the director for academic affairs and the director for administrative affairs and scientific entities.
- (3) The Academic Council shall be consulted before the appointment or dismissal of the director for academic affairs.
- 4) The following persons shall sit on the Academic Council:
 - a) the director for academic affairs, as chairperson,
 - b) the Research directors,
 - c) the heads of Research Groups,
 - d) the research professors,
 - e) two representatives of the scientific employees from each of the Research Areas with two Research Units
 - f) one representative of the scientific employees from each Research Area with one Research Unit
 - g) one representative of the scientific employees outside the Research Areas,
 - h) the representative of the group of post-docs,
 - i) the representative of the group of doctoral candidates.

The director for administrative affairs shall attend the meetings of the Academic Council in an advisory capacity. The Works Council may attend the meetings of the Academic Council.

- (5) The Academic Council shall issue itself with Rules of Procedure, which must be in accordance with the basic principles and guidelines to be passed by the Board of Trustees pursuant to Article 8(2) b).
- (6) The Academic Council shall select a spokesperson as deputy chairperson.

Article 16
Advisory Board

- (1) The Corporation shall form an Advisory Board comprised of scientists and personalities from the public sphere. The members of the Advisory Board shall be appointed by the Board of Trustees for a limited period. They shall operate in an honorary capacity.
- (2) The Advisory Board shall advise the Board of Trustees. It may issue itself with Rules of Procedure.

Article 17
Financial Year

The financial year shall be the calendar year.

Article 18
Public-benefit Principle

- (1) The Corporation shall serve public-benefit purposes exclusively and directly.
- (2) Any profits may only be used for the purposes in accordance with the Articles of Association. The shareholders may not receive any share of the profits, and in their capacity as shareholders they may not receive any other benefits from funds of the Corporation.
- (3) Upon leaving the Corporation, the shareholders may not have returned to them more than their paid-in capital share and the fair market value of their contributions in kind.
- (4) The Corporation may not give benefits to anyone by means of expenditure that is not determined by the purposes of the Corporation, or in the form of disproportionately high remuneration.
- (5) Changes to the purpose of the Corporation must be notified to the relevant financial authorities.

Article 19
Annual Statement of Accounts, Auditing Rights

- (1) The director for academic affairs and the director for administrative affairs shall compile the annual statement of accounts and the Corporation report within three months after the end of each financial year. The annual statement of accounts and the report on the situation of the Corporation are to be compiled and audited according to the applicable provisions of the Third Book of the German Commercial Code (Handelsgesetzbuch: HGB) for large companies limited by shares.

- (2) The annual statement of accounts and the Corporation report are to be audited by an auditor of annual accounts. In each case the auditor of annual accounts shall be selected before the end of the financial year to be covered by his/her audit. The Board of Trustees shall, without delay after his/her selection, issue the auditor of annual accounts appointed by the Shareholders' Meeting with the mandate to examine, within the scope of the auditing of the annual accounts, the regularity of the director for academic affairs and the director for administrative affairs pursuant to Section 53(1) no. 1 of the German Law on budgetary principles for federation and states (Haushaltsgrundsatzgesetz) of 19 Aug. 1969 (Federal Law Gazette [Bundesgesetzblatt] I, p. 1273) and to supplement the report pursuant to Section 53(1) no. 2 of the German Law on budgetary principles for federation and states. The director for academic affairs and the director for administrative affairs must present one copy of the annual statement of accounts and the Corporation report together with the audit report and a written statement of opinion to the Board of Trustees within the first six months of the financial year; the Board of Trustees shall forward the documents with the report on the result of its audit to the Shareholders' Meeting without delay.
- (3) With the exception of the report of the Board of Trustees, the documents mentioned in Section 2 sentence 4 are to be sent to the shareholders without delay, at the latest at the same time as they are forwarded to the Board of Trustees.
- (4) The provisions of the respective grant notifications of the approving authorities shall apply to the use and settlement of the grants and other incomes of the Corporation. The Audit Offices have a legal auditing right in accordance with Section 91 of the German Federal budgetary regulations (Bundeshaushaltsordnung)/ State of Berlin budgetary regulations (Landeshaushaltsordnung). This shall also extend to the auditing of the annual statement of accounts with the application of the provisions of Section 54 of the German Law on budgetary principles for federation and states.

Article 20

Declaration of Conformity with the Public Corporate Governance Codex / Corporate Governance Report

- (1) The director for academic affairs and the director for administrative affairs (the management) and the Board of Trustees shall make an annual declaration that the recommendations of the Public Corporate Governance Codex of the Federation, as amended from time to time, have been and continue to be complied with; alternatively, which recommendations have not been or are not being applied, giving reasons. The declaration shall be made permanently accessible to the public (either on the Internet site of the Corporation and/or in the electronic Federal Gazette) and published as part of the Corporate Governance Report.
- (2) The Corporate Governance Report published annually by the director for academic affairs and the director for administrative affairs (the management) and the Board of Trustees shall specify, in addition to the declaration pursuant to paragraph (1)

above, the total remunerations of the director for academic affairs and the director for administrative affairs and of each Trustee individually, indicating separate components, in a generally comprehensible form. The director's for academic affairs and the director's for administrative affairs (the management) benefits shall also be indicated which have been agreed for the current or former management in the case that his/her activity as a member of the management is terminated, or granted during the course of the financial year. In the case of Trustees, the remuneration paid or benefits granted by the Corporation to each Trustee for services personally performed, in particular for advisory and agency services, shall also be indicated separately.

Article 21 Withdrawal from the Corporation

- (1) A shareholder may serve notice to the Corporation with a notice period to the end of the next financial year in writing, not earlier than to 31 December 1988. The notice of withdrawal is to be addressed to the director for academic affairs and the director for administrative affairs.
- (2) The departing shareholder withdraws from the Corporation; the withdrawal shall not entail the liquidation of the Corporation.
- (3) The departing shareholder must transfer its share to the assignee appointed by the Shareholders' Meeting. The remuneration of the departing shareholder shall be determined in accordance with Article 18(3).

Article 22 Liquidation of the Corporation

- (1) If the Corporation is liquidated, after discharge of its debts or providing security for the Corporation's creditors, after the end of the twelve-month blocking period its assets shall be used initially for repayment of the initial contributions made.
- (2) The use of any remaining assets shall be decided by the Shareholders' Meeting with the prior consent of the Board of Trustees. This shall also apply if the purpose of the Corporation to date (Article 2) is discontinued. If the Corporation is liquidated or if tax-privileged purposes are discontinued, to the extent that the Corporation's assets exceed the paid-in capital shares of the shareholders and the fair market value of the contributions in kind provided by the shareholders, they shall pass to a legal person under public law or another tax-privileged body to be used for the promotion of research in social sciences.

Article 23 Notices

Notices by the Corporation shall be placed in the Federal Gazette (*Bundesanzeiger*).

Article 24
Invalidity of Parts of the Articles of Association

If one of the provisions of these Articles of Association is or becomes invalid, this shall not affect the validity of the other provisions.

Article 25
Effective Date

This version of the Articles of Association shall become effective upon entry in the Commercial Register.