

## Statutes of the ITTF Foundation

### Preamble

By its Annual General Assembly on May 1<sup>st</sup>, 2018, in Halmstad, Sweden, the International Table Tennis Federation decided to establish a non-profit organisation with the name

“ITTF Foundation”

to continue the long-lasting, worldwide implemented solidary commitment under the roof of a non-profit foundation.

The International Table Tennis Federation started in 1999 with the realisation of its global development program that quickly not only focused on the improvement of the sport of table tennis but of its use to promote humanitarian development worldwide. Within that frame, table tennis was successfully used as a mean to support projects for the promotion of women and girls, persons with a disability, children and adolescents with problematic social background, and refugees. Further, there were and are projects that respond to natural and human crisis and contribute to reconstruction after wars or natural catastrophes.

Since 2009, such projects are realized under the name “Dream Building”; a program that focuses on the implementation of humanitarian projects through table tennis and that has won several internationally recognized prizes.

Since 2015, ITTF, by implementing the program “TT4ALL” actively supports grassroots sports on an international level, hereby not only focusing on reaching a broad mass but all groups of population independently from sex, age, culture, religion, or social status all over the world -also in outlying areas.

Further programs and projects, that are existing and that will be continued under the name of “ITTF Foundation” are the game TTX that enables table tennis under unfavourable weather conditions, the publication of several materials that contain hints regarding the implementation of the game under different human, material, and financial preconditions.

The establishment of the „ITTF Foundation” as a recognised non-profit legal entity shall help to intensify this work und to increase the commitment to our cause.

### § 1 Name, Registered Office and Legal Status

1. The name of the foundation is “ITTF FOUNDATION”.
2. The foundation is a private-law foundation (sect. 80 of the German Civil Code).
3. The foundation is registered in Leipzig, Germany
4. Business year is the calendar year.

### § 2 Mission

1. The Foundation exclusively and directly aims at non-profit work according to the section "tax-deductible purposes" of the German tax code (AO).
2. The mission of the Foundation is the promotion of the sports of table tennis, of the development cooperation, of education, national education and vocational training, of the foreign affairs thought as well as the fund raising and the transfer of means to other incorporations or public legal entities that aims at non-profit work according to the section "tax-deductible purposes" for use of the promotion of the missions mentioned herein.
3. The mission of the Foundation's purpose is particularly realized by
  - a. promoting table tennis as grassroots sport and developing and offering low-threshold services thus introducing table tennis to many people and making it accessible to them;
  - b. implementing initiatives and projects for international exchange of experiences of trainers, athletes, and volunteers;
  - c. realizing projects that help (re-)installing options to play or extend table tennis in Germany and abroad, particularly in areas affected by poverty; this includes giving help and instructions of how one can use simple means and available resources to create playing facilities and to play table tennis;
  - d. offering and playing table tennis, to support the worldwide solidarity between humans, equality between men and women, to fight repression of ethnic minorities; to reduce prejudice, to support refugees, to include disabled persons; and to promote the commitment for work in an honorary capacity in the sports of table tennis.
  - e. offering and playing table tennis in e.g. schools or other educational establishments of recognized developing countries, to achieve improvement for socially disadvantaged, particularly Children and adolescents, and to contribute in general as well as after natural catastrophes, war, or other dramatic occurrences, to an enduring improvement of the socio-economic development and the general living conditions;
  - f. cooperation with sports and educational establishments, e.g. through partnerships with sport associations, holding of joint events;
  - g. granting financial and material expenses, e.g. sports and playground equipment, fitment, or the equipment of sport and training areas to improve the sport and living conditions, to rebuilt sports infrastructure after natural catastrophe, war or other dramatic occurrences or crisis;
  - h. organising and implementing events and programs that raise the awareness in a broad public of the significance of the sport of table tennis for non-profit aims and assistance measures, e.g. events for appraisal of sports performances, peculiar projects or work in honorary capacity, calls for donations or work in honorary capacity;
  - i. conduction public relations.

The examples mentioned above are non-exclusive. The Foundation may take further measures that are appropriate to achieve its missions.

The Foundation fulfils its obligations either in person or through an auxiliary person within the meaning of section 57 para. 1 AO except for fundraising actions.

4. The Foundation can be active worldwide; its activities abroad do not only intend to achieve its non-profit missions but also to increase the reputation of the Federal Republic of Germany abroad.
5. The transfer of means to foreign incorporations, association of individuals or legal estates is possible and only occurs if they use said means for non-profit aims according to section 2 para.

2 of these Statutes and correspond to an incorporation, association of individuals or legal estates within the meaning of the German Corporate Tax Act.

6. The Foundation is a non-profit organization. It does not primarily pursue economic interest.
7. Assets of the Foundation can only be spent as defined in the Statutes. Neither the founders of the Foundation nor their legal successors receive any payments and benefits from the Foundation Assets.
8. No one can benefit from expenses that are not in accordance with the mission of the Foundation nor from unreasonable high compensation.
9. The Foundation may, in accordance with section 58 para. 2 AO, realize its mission by partly transferring its assets to other tax-privileged foundations or public legal entities for the use for tax-deductible purposes.

### **§ 3 Foundation Assets**

1. The value and earnings of the Foundation Assets must be sustained. In single business years, the immovable property may be used up to a maximum of 10 percent if the repatriation of the used amount within the three following years is ensured, the drawdown is inevitable to secure the permanent attainment of the Foundation's mission, and the existence of the Foundation is not at risk, and the Governing Board and the Board of Trustees resolved so by a two third vote of all of its respective members. Repeated drawdown is possible only if the reduction of the immovable property caused by the precedent drawdown is balanced.
2. The commercial substance of the Foundation Assets is not burdened with obligations of recurring services to third parties.
3. The Foundation Assets can be increased through contributions of third parties and unearned income under current tax rules.
4. Earnings from the Foundation Assets may only be used to pay the costs of the Foundation, to realize the mission of the Foundation and to increase the Foundation Assets.
5. Restructuring of assets are possible. The formation of reserves is possible to the extent permitted by the AO.

### **§ 4 The Foundation Bodies**

Bodies<sup>1</sup> of the Foundation are

1. the Governing Board, and
2. the Board of Trustees.

### **§ 5 The Governing Board**

1. The Governing Board consists of at least four board members.
2. The first Governing Board is designated in the Foundation Business Deed.

---

<sup>1</sup> For the sake of easier reading, only the single and masculine form es being used. Nevertheless, all terms used do refer to both sexes.

3. Three seats of the Governing Board shall be filled with:
  - a. The President of the International Table Tennis Federation, Lausanne ex officio, or a person delegated by him,
  - b. The Chief Executive Officer of the International Table Tennis Federation, Lausanne ex officio, or a person delegated by him, and
  - c. The member for development of the executive Committee of the Table Tennis Federation, Lausanne ex officio, or a person delegated by him.
4. The fourth member is designated as Managing Board Member in the Foundation Business Deed. The Managing Board Member is generally authorized to solely represent the Foundation. He represents the Foundation in and out of court. The Managing Board Member runs the ongoing activities of the Foundation. The Managing Board Member is a paid staff member and receives a remuneration for the duties.
5. The number of the board members can be increased or decreased by resolution of the Board of Trustees if the number of members does not fall below four and does not exceed eight.
6. As far as the board members are not member of the Governing Board due to their office in the International Table Tennis Federation, the term of office is 2 years. The first term of office of the Managing Board Member is 2 years, the following terms of office are 4 years respectively. In case the International Table Tennis Federation rename offices, or the respective position is vacant, the International Table Tennis Federation is entitled, through its representatives, to appoint substitute members. If the International Table Tennis Federation does not or cannot do so, the remaining Governing Board co-opts substitute members. The substitute members must not necessarily hold an office within ITTF.
7. Persons who are not board members due to their office in the International Table Tennis Federation shall be co-opted by the Governing Board. Re-co-option is permissible.
8. Members of the Governing Board may not be members of the Board of Trustees at the same time.
9. Besides, the office of a board member ends under the circumstances of dead or resignation.
10. A board member can resign. The Board of Trustees must be informed in writing about the day of the resignation three weeks in advance. If the office of a board member under sect. 5 no. 3 ends, the membership in the Governing Board of the Foundation also terminates. The respective member continues in the Governing Board until the respective successive member or a representative was confirmed by the Board of Trustees, however, until up to a maximum of six months after the office ended.
11. A member of the Governing Board may be dismissed for cause before the termination of his office by the Board of Trustees.
12. The Governing Board elects from among its members the Chairperson for a 2-year-term, if he was not designated by the Foundation Business Deed. Re-election is permissible.
13. Any change in the composition of the Governing Board must immediately be reported to the state supervisory authority.

### **§ 6 Duties of the Governing Board**

The Managing Board Member administrates the Foundation. He acts in line with the interest of the Foundation. His duties are in particular:

- a) The representation of the Foundation inwards as well as outwards;



- b) The management of the Foundation according to the specifications in the business plan and the maintenance of the business plan;
- c) The preparation of the financial statements including the balance sheet, which must be presented to the Board of Trustees until 31<sup>st</sup> March of each year;
- d) The annual report on the fulfilling of the Foundation's mission, which must be presented to the Board of Trustees until 31<sup>st</sup> March of each year;
- e) The staff planning and human resources management; recruiting and dismissal of staff members;
- f) Resolutions on the revenues arising from the Foundation Assets (in compliance with the requirement of approval of the Board of Trustees and the business planning, where appropriate).

The Managing Board Member develops and, together with the other board members, resolves on

- g) Determining the development goals;
- h) The long-term direction of the Foundation and the determination of the development aims;
- i) The preparation of the annual business plan;
- j) Exceptional legal transactions, which are real estate transactions in the amount of more than 250,000.00 €, and borrowings or granting sureties that exceeds the daily business. Details can be specified in bye-laws of the Governing Board.

### **§ 7 Resolutions and work of the Governing Board**

The Governing Board passes its resolutions in either writing or by electronic means. Absent persons may participate in meetings by electronic means. Resolutions must be recorded. The Managing Board Member must call a meeting at least once a year and when the board activities require so.

### **§ 8 Board of Trustees**

1. The Board of Trustees consists of at least two trustees. The number of trustees can be increased and decreased by resolution of the Board of Trustees provided that the minimum number does not fall below two and does not exceed the number of eight.
2. The Chairperson of the Board of Trustees is designated in the Foundation Business Deed. Two seats in the Board of Trustees shall be filled with
  - a. The Vice-President for Finances of the International Table Tennis Federation, Lausanne ex officio, or a person delegated by him;
  - b. The Vice-President of the Ethics Commission of the International Table Tennis Federation, Lausanne ex officio, or a person delegated by him.
3. As far as the trustees are not member of the Board of Trustees due to their office in the International Table Tennis Federation, the term of office is 2 years. In case the Internationale Table Tennis Federation renames offices, or the respective position is vacant, the International Table Tennis Federation is entitled, through its representatives, to appoint substitute members. If the International Table Tennis Federation does not or cannot do so, the remaining Board of Trustees co-opts substitute members. In case no member of the Board of Trustees has remained, the

Governing Board appoints the necessary number of members.

4. Persons who are not members of the Board of Trustees due to their office in the International Table Tennis Federation shall be co-opted by the Board of Trustees. Re-co-option is permissible.
5. Members of the Board of Trustees may not be members of the Governing Board at the same time.
6. A trustee can resign. The Board of Trustees must be informed in writing about the day of the resignation at least three weeks in advance.
7. Members of the Board of Trustees can be dismissed for cause before the termination of their office.
8. If the Vice-President of Finances of the International Table Tennis Federation, Lausanne ex officio or a person delegated by him or the Vice-President of the Ethics Commission of the International Table Tennis Federation ex officio or a person delegated by him withdraw from their office in the International Table Tennis Federation, the membership in the Board of Trustees of the Foundation also terminates. The respective member continues in the Board of Trustees until the respective successive member or a representative was confirmed by the Board of Trustees, however, until up to a maximum of six months after the office ended.
9. The Board of Trustees elects from among its members a Chairperson for a 2-year-term. Re-election is permissible.

#### **§ 9 Duties of the Board of Trustees**

1. The Board of Trustees advises to and supports the activities of the Governing Board.
2. To fulfil these duties, the Board of Trustees can send one of its members to meetings of the Governing Board. The Governing Board must give access to a member of the Board of Trustees to participate as guest in a least one meeting per year with the right to speak and to advise. Apart from that, the Governing Board, normally represented by its Managing Board Member or a person delegated by the Governing Board, can participate as a guest in meetings of the Board of Trustees with the right to speak and to advise.
3. The Board of Trustees has particularly the following duties:
  - a) Dismissal of a member of the Governing Board for cause;
  - b) Resolution on reduction or extension of the Governing Board;
  - c) Supervision of the Governing Board;
  - d) Acceptance of the report of the Governing Board, the annual accounts and the report on the fulfilling of the Foundation's mission, and the approval of the annual accounts.
  - e) Discharge of the Governing Board.

#### **§ 10 Resolutions of the Board of Trustees**

The Board of Trustees passes its resolutions in either writing or by electronic means. Absent persons may participate in meetings by electronic means. Resolutions must be recorded. The Chairperson must call a meeting at least once a year and when the council activities require so.

#### **§ 11 Resolutions**

The Foundation Bodies passes their resolutions with simple majority of the members present. The body has a quorum if at least two third of its members are present. In case of a tie, the vote of the Chairperson or the vote of the Managing Member of the Board is the deciding vote. Absent members can be represented by present members based on a written power of attorney. Meetings must be recorded.

### **§ 12 Remuneration of members of the Bodies**

1. The Governing Board may resolve upon a remuneration that is related to the complexity of duties and the expenses in terms of time. The remuneration shall be determined by the Governing Board. The Board of Trustees shall observe whether the remuneration is reasonable with respect to the expenses in terms of time. In addition, board members are entitled to an appropriate reimbursement of their expenses. Payment of expenses and remuneration is permissible only if the fulfilment of the missions is not at risk. The Managing Governing Board member receives a remuneration that is resolved upon by the Governing Board.
2. The members of the Board of Trustees serve in an honorary capacity. They are entitled to reimbursement of their necessary and proportionate expenses. In recognition of the honorary work, the Board of Trustees can allow its members honorary packages according to the German Income Tax Code.
3. Members of the bodies receive, apart from their remuneration and reimbursement, neither dividends nor other grants from the Foundation Assets.

### **§ 13 Amendment of the Statutes**

1. Amendments of the Statues of the Foundation that to not impact the Foundation's mission are permissible if the initial configuration of the Foundation does not change or if the fulfilment of the Foundation's mission is substantially facilitated by the amendment. The non-profit status of the Foundation may not be compromised or revoked.
2. If due to a substantial change in the conditions the fulfilment of the Foundation's mission is not possible or seems not reasonable anymore, the mission of the Foundation can be altered. Further missions can be pursued if such extension does not put the continuous and sustainable fulfilment of the Foundation's mission at risk, particularly if the revenues from the Foundation Assets are only partly used to fulfil the initial mission of the Foundation. The non-profit status of the Foundation may not be compromised or revoked.
3. The Foundation Bodies can resolve on an admission or merger of the Foundation with another tax-privileged public-law body or on the liquidation of the Foundation if the fulfilment of the Foundation's mission became impossible or if due to a substantial change in the conditions the continuous and sustainable fulfilment of the Foundation's mission is impossible and the continuous and sustainable fulfilment of an altered mission according to para. 2 is ruled out.
4. Resolutions relating to paras. 1 to 3 must be mutually resolved by the Governing Board and the Board of Trustees. The resolutions must be immediately forwarded to the foundation authority. The amendment of the Statutes only come into force after the approval of the foundation authority.



#### **§ 14 Liquidation**

Upon liquidation or cancellation of the Foundation or upon omission of the tax-deductible purposes the Foundation Assets are for the benefit of a public-law legal entity or another tax-privileged legal entity for the use of the promotion of the sports, particularly the sport of table tennis. The beneficiary is determined by the Governing Board, such determination requires the approval of the Board of Trustees and the financial authority.

#### **§ 15 Coming into effect**

The Statutes come into effect upon notification of the approval deed of the foundation authority.