

Bylaws

§ 1 Name, company location and fiscal year

The society is named STEUERCHECK24 Lohnsteuerhilfverein e.V. The society is located in Munich and therefore located in the district of the Bavarian State Authority for Taxes (Bayerisches Landesamt für Steuern). The organizational management is located within the same regional revenue district. If the board considers it necessary, the board may relocate the headquarters of the society within the territory of the Federal Republic of Germany.

The calendar year is the fiscal year of the society.

§ 2 Purpose of the society

The society is a self-help organization for dependently employed people. It is a not-for-profit organization and therefore a non-profit association within the meaning of § 21 German Civil Code (BGB). The purpose of the organization is to provide assistance services in tax matters within the framework of the authorization pursuant to § 4 No. 11 of the German Tax Consultancy Act (StBerG). Members who have become unemployed may continue to use the services.

This authorization also includes the power of representation before the tax court.

§ 3 Advising of the membership

1. The society is authorized to open and close consulting offices throughout the Federal Republic of Germany. However, at least one consulting office must be maintained within the district of the competent superior finance directorate pursuant to § 23 Subsection 2 StBerG. Members may seek advice only at consulting locations within the meaning of § 23 StBerG.
2. Assistance services may only be provided by persons who are employed by the consulting location. A manager is appointed for each location. Said manager may only be the head of one further location at the same time, § 23 Subsection 2 StBerG. The manager of the consulting location fulfills the role of an expert supervisor of the other persons working at said location. Any person who has acted in a way as to give justified concern that he or she may not be able to meet the obligations of the employment tax assistance society may not be appointed manager of the consulting location.

3. Subject-related information regarding assistance services in employment tax matters is confidential and provided while foregoing unpermitted advertising, § 26 Subsection 1 StBerG. Engaging in any other commercial activity in connection with providing assistance in employment tax matters is not permissible.
4. The reference files regarding assistance services in employment tax matters must be stored for a duration of seven years after the work of the society on the employment tax matter on behalf of the member has been completed; § 66 StBerG applies correspondingly.

§ 4 Membership

Any employed person within the territorial area of activity of the society, who may receive consulting services provided by the society pursuant to § 2 of these bylaws, can become a member. Other persons may become members if their membership contributes to the implementation of the defined purpose of the society.

§ 5 Acquisition of membership

Any willingness to join must be declared in writing. All persons who are willing to join must be informed of these bylaws and the fee schedule, which are to be handed to the new member upon request after joining the society, before giving their declaration of membership. The board may deny membership requests. If the board does not deny a membership application by a person seeking admittance to the society within three weeks, said membership shall be considered confirmed.

§ 6 Rights and obligations of the members

Membership in the society gives a member the right to receive consulting services in accordance with the bylaws of the society. The member has the obligation to surrender to the society all documentation that is necessary for providing said consulting services.

Each member has voting rights at the membership assembly.

Members are obligated to pay a membership fee within the context of § 8.

Members of the society do not have the right to lodge a claim for damages if a reduction of the tax liability of a given member did not materialize because said member failed to produce the necessary documentation after a one-time reminder, or if said member failed to supply necessary information in a timely manner.

By way of an exception, members may be required to pay expenses, i.e. for travel to the tax courts. More details are included in the fee schedule.

§ 7 Fees

An annual membership fee is charged. This fee is structured in accordance with social aspects. Newly admitted members also pay an initiation fee. The amount of the initiation fee and the membership fee are set forth in the fee schedule, which must be approved by the membership assembly. Changes to the fee schedule must also be approved by the membership assembly. Any modified or revised fee schedule must be announced to the membership four months before it goes into effect.

The initiation fee and the fee for the first year of membership must be paid to the society at the time of joining. Any subsequent membership contributions are payable as of January 1 of every year. The board decides what steps, if any, are to be taken regarding the collection of membership fees.

§ 8 End of the membership

The membership ends due to:

- Death
- Voluntary leaving of the society
- Removal from the membership list due to non-payment of the membership fee by December 31 of a given year (this step does not require a special resolution. The obligation for payment of the owed membership fee remains intact afterwards).
- Exclusion.

If the membership fee is increased, members have an extraordinary right to discontinue their membership. Such intent must be announced to the board in writing three months before the increased membership fee goes into effect.

Any voluntary discontinuation of one's membership can only go into effect as of the end of the year; a corresponding notice must be given by September 30 of that year. The date of the postal stamp is determinative. If the intent for leaving the society is declared by other means than via the postal service, the date of receipt by the society is determinative.

A member can be excluded from the society for good reason by a resolution of the board. Reasons for exclusion are, in particular, violations against the bylaws and the interests of the society as well as violations of the resolutions and orders by the organs of the society.

§9 Organs of the society

The organs of the society consist of the membership assembly and the board. Only members of the society may join the organs of the society.

§ 10 Membership assembly

- (1) The membership assembly is the supreme organ of the society. Each member has one vote in the membership assembly.
- (2) The ordinary membership assembly represents the interests of the members and holds an annual meeting upon invitation by the board. The invitation must be issued in writing and at least two weeks in advance, including a notification of the points of the agenda, the location and the time of the meeting. The supervisory authority must be notified at the same time. The letter of the invitation must be sent to every member and is considered received if it was sent to the last known address provided by the member.
- (3) Within three months of the announcement of the substantial content of the findings of an audit to the membership, the board must call a membership assembly meeting to discuss, in particular, the management results and a release of the board for its management activities during the audited financial year.
- (4) Upon request of at least 20% of the membership, the board must call an extraordinary membership assembly within four weeks.
- (5) The board sets the agenda. Each member has the right to submit written requests for supplements to the agenda until, at the latest, one week before the date of the membership assembly. At the beginning of the meeting the head of the assembly shall announce what supplements have been added. The membership assembly shall decide the applications for supplementing the agenda that are made during the meeting.

- (6) The chairperson presides over the meeting of the membership assembly. If no member of the board is present, the assembly shall agree on a chairperson. The mode of voting shall be decided by the chairperson. The voting must be effected in writing if 1/3 of the present voting membership demands it.
- (7) The resolutions by the membership assembly are passed, notwithstanding the provision of § 33 BGB (change of bylaws, change of the purpose of the society), by a simple majority. Any ordinarily called membership assembly is qualified to decide by vote.
- (8) Minutes must be kept regarding the resolutions by the membership assembly. The minutes shall be signed by the keeper of the minutes and the chairperson. The minutes shall include an appended list with the names of the participants at the membership assembly.
- (9) The membership assembly is exclusively responsible for these matters:
 - Voting members of the board in and out of office;
 - Approving the fee schedule;
 - Approving the budget plan;
 - Receiving the annual report by the board;
 - Discussing the results realized by the management;
 - Passing resolutions regarding any changes to the bylaws and the dissolution of the society;
 - Dissolving the society;
 - Approving contract agreements that the society enters into with members of the board or their relatives;
 - Releasing the board.

§ 11 Board

- (1) The board within the meaning of § 26 BGB comprises a chairperson and two deputy chairpersons.
- (2) The board is represented by the chairperson or jointly by the two deputy chairpersons.
- (3) The board is elected by the membership assembly for a term of five years. The election of the board members can be nullified ahead of time for important reasons pursuant to § 27 subsection 2 BGB. Said member shall, however, remain in office until a new board has been elected. A reelection of members is allowable.
- (4) The board passes resolutions by a simple majority. If the board consists of two

members, the vote of these members must be unanimous.

- (5) Members of the board do not receive compensation for their work on the board. Substantiated expenses and expenditures that are incurred during the exercise of their functions as board members are reimbursable. If a board member is hired as a manager or head of a consulting service location, any payable compensation requires the approval by the membership assembly. The board shall not be exempt from the provisions of § 181 BGB.
- (6) §§ 664 to 670 BGB are applicable for the management of the board.

§ 12 Scope of activity of the board

- (1) Managing and monitoring all current and extraordinary business of the society.
- (2) Appointing a manager within the meaning of § 30 BGB if the board does not conduct the business of the society.
- (3) Setting up and operating consulting service locations and monitoring said locations within the meaning of § 14 of the bylaws.
- (4) Announcing the audit reports and calling the meetings of the membership assembly.
- (5) Implementing the resolutions of the membership assembly.
- (6) Handling the responsibilities resulting from the tax consultancy act relative to the supervisory authorities.

§ 13 Change of the bylaws

The bylaws can only be changed at a meeting of the membership assembly if said meeting was called with explicit reference as to the planned modification. A simple majority of the membership who are present is required. In order to change the bylaws.

The consent by the entire membership is required if the purpose of the society is to be modified. Members who are not present must agree in writing.

§ 14 Responsibilities relative to the supervisory authorities

The board must meet the responsibilities of the society resulting from the tax consultancy act relative to the supervisory authorities. These are specifically:

- (1) The society shall conduct an audit, to be conducted by one or several auditors, regarding the completeness and

- accuracy of its records and an overview of its assets as well as the consistency of the actual management activities every year, with the tasks as they are defined in the bylaws of the employment tax assistance society, specifically within six months after the completion of the fiscal year.
- (2) Only the following can be named as auditors:
- Persons and companies that are authorized to provide unlimited assistance in tax matters;
 - Audit associations with bylaws that envision as their purpose ordinary and extraordinary audits of the membership if at least one legal representative of the association is a tax advisor, tax representative, attorney, private European attorney, auditor or certified public accountant.
Persons, whose impartiality is in question, or in the event of a possibility of a conflict of interest, in particular because they are board members, special representatives or employees of the society, may not take the role of auditors. This shall also apply for persons who advise or support the society in terms of organizational or business matters, or who have done this during the audit period or who participated in keeping the books or ledgers of the documents that are to be audited.
- (3) Within one month of receiving the audit report, at the latest, however, within nine months after the conclusion of the fiscal year, the society shall forward a copy of the audit report to the competent supervisory authority. The membership shall be notified in writing of the essential findings contained in the audit report within six months after receipt of the completed audit report.
- (4) The society shall report any changes to the bylaws to the competent supervisory authority within one month of the passage of the corresponding resolution. The supervisory authority must be notified of the impending meeting by the membership assembly at the latest two weeks in advance.
- (5) The persons with powers of representation on behalf of the society shall provide any necessary information within the meaning of §§ 7 DVLStHV and 30 StBerG for any entries or deletions in the register of employment tax assistance societies to the

competent supervisory authorities within two weeks.

§ 15 Liability, liability insurance

Regarding assistance services that the society provides relative to employment tax matters to its membership, the society cannot be excluded from liability for the misdeeds of its organs and employees. Damage claims by members arising from consulting services are barred by the statute of limitation three years after the point in time that gave rise to the claim.

The society shall obtain liability insurance on assets in the appropriate amount to protect against any liability risks that result from the assistance services in employment tax matters (e.g. erroneous advice, loss of processing documentation). The Bavarian State Authority for Taxes (Bayerisches Landesamt für Steuern) is competent authority within the meaning of § 158c Subsection 2 of the law concerning underwriting.

§ 16 Dissolution of the society

The society can only be dissolved by a meeting of the membership assembly that was called specifically for that purpose. A simple majority of the members who are present at the meeting is required. The society cannot be dissolved if at least seven of its members who are present oppose the dissolution.

If the society is dissolved, the persons who are members of the board are appointed as liquidators.

Upon request by the chairperson, before the vote on the dissolution of the society is taken, a resolution must be passed regarding the use of the society's assets, the appointment of a representative for handling any pending employment tax related matters pursuant to § 24 StBerG and regarding the storage of the reference files pursuant to § 26 Subsection 4 StBerG.

Upon dissolution of the society, and following liquidation, the remaining assets go to a non-profit institution. The membership assembly shall decide on a beneficiary at a separate meeting.

§ 17 Miscellaneous

- (1) The competent jurisdiction for all disputes that may arise on the basis of these bylaws, including any default actions in accordance with the provisions pursuant to §§ 688 et seq. Rules of Civil Procedure (ZPO) for membership fees that are in default, is Munich, Germany.

- (2) If portions of these bylaws are void or become void, they shall not impact the effectiveness of the remaining bylaws.
- (3) With entry in the Register of Societies these bylaws shall go into effect. The costs shall be borne by the society.

Munich, January 10, 2007