

Charter
of the
“Bach Archive Leipzig” Foundation
dated January 1, 1998
in the amended version dated November 14, 2013

Section 1 Name, legal form, registered office

The Foundation is named “Bach Archive Leipzig”. It is an incorporated foundation in civil law of the City of Leipzig with registered office in Leipzig.

Section 2 Purpose and structure of the Foundation

The task of the Foundation is to research and appreciate the life of the composer Johann Sebastian Bach and his family, his work and the history of his influence and thus serve the wider public. The Foundation consists of the specialist departments Research, Library, Museum and Artistic Administration. The individual specialist departments particularly meet the purpose of the Foundation by

1. Research institute

- Implementation of and/or cooperation in national and international research projects as well as scientific editorial work in cooperation with publishers and production of own publications;
- Provision of the research results to science and practice in scientific events and through publications;
- Ongoing scientific analysis as well as addition and extension of the collections.

2. Library

- Management of the extensive collection of music-related literature and prints, specialist literature and music supplies, source photocopies and microforms, sound storage media and graphics that address the special requirements of Bach research;
- Analysis of the Bach literature by means of catalogues and management of various special card files;
- Targeted acquisition in the international market to supplement the collections by new releases and to close the remaining gaps;
- Observation of the international market for considerable antiquarian treasures.

3. Museum

- Management and maintenance of the Bach Museum that is to be kept accessible to the public with its permanent exhibition and with temporary special exhibitions;
- Museum educational service offers for various target groups;
- Supervision of the museum shop and the “Historischer Sommersaal”.

4. Artistic administration

Host and organization of and/or cooperation in academic events according to item 1 and cultural events, particularly:

- International Johann-Sebastian-Bach Competition Leipzig;
- Concerts with prize winners of the competition within and outside of Leipzig;
- Bach Festivals of the City of Leipzig;
- Bach Festivals of Neue Bachgesellschaft e.V. in Leipzig;
- Concert series in the “Historischer Sommersaal” of the Bose House;
- Seminars on performance practice

as well as further events according to the purpose of the Foundation that shall generally take place in Leipzig.

Section 3 Non-profit character and earmarked funds

(1) The Foundation exclusively and directly pursues objectives of public benefit in terms of the section “Tax-Exempt Objectives” of the General Tax Code. It is non-profit making and does not mainly pursue its own commercial interests. Even if tasks are fulfilled through the commissioning of third parties, the non-profit character must be guaranteed.

(2) The funds of the Foundation may only be used for purposes in accordance with the charter. The founders, their heirs and/or legal successors and the members of the Foundation’s bodies and of the Board of Curators do not receive any benefits from the Foundation’s funds. No person may receive benefits through expenses that are not compatible with the purpose of the Foundation or unreasonably high remunerations.

Section 4 Basic assets, capital budget, application of funds

(1) The initial basic assets consist of the archive materials, documents, music supplies, books and other collections that have previously been the property of the City of Leipzig according to the *Annex* that is integral part of this charter.

Furthermore, external donations may increase the basic assets. The Foundation may accept such external donations.

(2) In the interest of the permanent existence of the Foundation, the basic assets are to be maintained undiminished. Items of the basic assets included in the *Annex* are not for sale and must not be stored at a place other than the City of Leipzig. The above provision on the fact that the assets included in the *Annex* must not be sold and on the location of the City of Leipzig including this provision must not be changed. Disposal of other assets is only permitted in substantiated exceptional cases and is subject to the consent of the Board of Trustees as of a value to be determined by the Board of Trustees. The sales proceeds of the

basic assets must not be used for the purposes designated in the charter, but belong to the basic assets of the Foundation. The assets of the Foundation may be redeployed for conservation of value and/or to strengthen its profitability.

The assets included in the *Annex* and other similar assets (cultural assets) must be stored so that access by unauthorized persons is excluded and the climate conditions required for the respective type of cultural goods are guaranteed. Asset erosions must be prevented by scheduled restoration work.

(3) Proceeds from the Foundation's assets, contributions from public bodies and third parties as well as donations are to be used to fulfill the Foundation's purpose. First, the Foundation's operational costs must be covered from the proceeds, donations and contributions for the Foundation as far as this is compatible with the conditions of the respective donor.

(4) Reserves may be formed within the framework of the tax provisions. They are part of the Foundation's assets. The contributions included in the free reserve may be allocated to the Foundation's basic assets. Such allocation is subject to the express written consent of the donors State and Federal Government. The Federal Government's law regulating public grant-giving remains unaffected by this regulation.

A resolution of the Board of Trustees is required for the formation and release of free reserves and for the utilization of the Foundation's assets.

(5) The Foundation has to demand a reasonable compensation for its services rendered to third parties.

Section 5 Contributions

(1) To meet the Foundation's purpose, the Foundation receives annual contributions from the City of Leipzig, from the Free State of Saxony (hereinafter referred to as State) and from the Federal Republic of Germany (hereinafter referred to as Federal Government). These contributions are approved according to the respective Budget Acts and Bye-Laws.

(2) The Foundation is entitled to accept contributions from third parties for use for the Foundation's purpose.

Section 6 Financial year

The Foundation's financial year is the calendar year.

Section 7 Foundation organs

(1) The organs of the Foundation are:

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

(2) The Board of Trustees appoints a Board of Curators for consulting the organs.

Section 8 Board of Trustees

(1) The following are members of the Board of Trustees:

- the Mayor of the City of Leipzig for the duration of his office or, as his substitute, the deputy mayor responsible for cultural matters of the City of Leipzig as well as two further representatives of the City of Leipzig;
- two representatives of the Federal Government;
- one representative of the Free State of Saxony.

As far as the representatives are not appointed ex officio, the City of Leipzig, the Federal Government and the Free State of Saxony appoint their respective representatives for the duration of five years. These persons may appoint substitutes for the duration of their term of office who must be named and notified to the Foundation Supervision.

(2) The Chairman of the Board of Trustees is the Mayor as official representative of the City of Leipzig according to paragraph 1 or, as his substitute, the deputy mayor responsible for cultural matters of the City of Leipzig.

(3) The Board of Trustees is competent to pass a resolution if at least two representatives of the City of Leipzig as well as at least one representative of the Federal Government and the representative of the State are present.

(4) The Board of Trustees passes its resolutions in meetings. Minutes must be taken during the meetings; the exact wording of the resolutions must be recorded. In exceptional cases, particularly in matters of urgency, a resolution may also be passed without convening a meeting in writing, by phone or in another form if no member objects to this type of decision-making.

(5) Resolutions are passed in the Board of Trustees with simple majority of the votes cast. Abstention from voting is deemed as votes not cast. In the event of a tie, the vote of the Chairman is decisive.

A majority of 2/3 of the votes of the Board of Trustees members (= four votes) is required with resolutions on the rules of procedure of the Foundation, the budget plan, the appointment and dismissal of the Executive Board members, the disposal of assets, charter modifications and the cancellation of the Foundation.

A resolution on charter modifications as well as the cancellation of the Foundation may only be passed with the consent of the official member of the Board of Trustees of the City of Leipzig (section 8 paragraph 1).

(6) The Executive Board participates in the meetings of the Board of Trustees in an advisory capacity. It must be heard prior to each decision-making and must be informed about all resolutions.

In case of bias, the respective Board of Trustees member must be excluded from the meeting. The Board of Trustees decides if there is a reason for exclusion.

(7) The Chairman convenes a meeting with the Board of Trustees where required, but at least twice a year. The invitation is sent in writing four weeks prior to the meeting by indicating the agenda. The meeting documents are generally sent with the invitation.

Section 9 Tasks of the Board of Trustees

(1) The Board of Trustees determines the basic objectives of the Foundation work in line with the purpose of the Foundation. It decides on all fundamental matters of the Foundation, unless the Executive Board is entrusted with them by this charter.

It accepts the annual audit report. It particularly decides on

1. the annual business plan, the financial planning and the audited annual financial statements according to section 14;
2. charter modifications;
3. the Foundation's rules of procedure;
4. determination of the number of Executive Board members according to section 10 (1) of this charter, appointment of the Executive Board members as well as determination of the duration of their term of office and dismissal of the Executive Board members;
5. the consent to the conclusion of legal transactions that commit the Foundation for more than three years or that exceed the amount of € 51,000.00 in total and/or for the duration of the contractual obligation;
6. the consent to the employment or upgrading of scientists in general as well as of employees as of a remuneration that corresponds to the payment group 11 *TVöD* [collective agreement for civil service] / *VKA* [municipal employer's association];
7. the consent to the purchase and disposal of properties and assets;
8. all other transactions regarding which the Board of Trustees reserves the right to make a decision.

(2) The Board of Trustees monitors the implementation of its resolutions by the Executive Board.

(3) The Board of Trustees may entrust the Chairman of the Board of Trustees with individual tasks as far as it deals with the arrangement between Executive Board and Board of Trustees within the framework of current transactions, in urgent matters and in matters of non-fundamental importance. The Chairman of the Board of Trustees may be entrusted with the tasks of the Board of Trustees according to para. 1 items 3, 5 and 6.

Section 10 Executive Board

(1) The Executive Board comprises the President, the Director of the Bach Archive and the Manager; the function of the President and the Director of the Bach Archive may be exercised by the same person by resolution of the Board of Trustees.

The Foundation is represented in court and out of court respectively by the Director and the Manager individually.

The President represents the Foundations in dealings with third parties.

The Director is the scientific coordinator of the Bach Archive. He manages the departments Research, Library and Museum.

The Manager is responsible for the personnel management, the financial management and the marketing of the Foundation and manages the Artistic Administration department. As head of the Artistic Administration department, he is the managing director of the Bach Festival Leipzig.

(2) President, Director and Manager are jointly responsible for the fulfillment of the Foundation's purpose. They cooperate as colleagues and inform each other about all important measures and procedures. If the Executive Board members fail to agree on individual matters or if one of them thinks that a procedure within the Foundation is to the

Foundation's detriment, each of them is entitled and obliged to refer this issue to the Chairman of the Board of Trustees for decision-making. If an issue is of fundamental importance, it is to be presented by the Chairman of the Board of Trustees to the Board of Trustees for decision-making.

(3) The further allocation of competences, the responsibility for decisions affecting finances and the authority to represent and sign within the framework of this charter are governed individually by the rules of procedure for the Executive Board of the Foundation.

(4) The term of office of the Executive Board members is at least five and no more than eight years. It is to be determined by the Board of Trustees with the appointment and to be notified to the Foundation Supervision. Re-appointment is permitted.

Section 11 Tasks of the Executive Board

The Executive Board carries out the tasks and business of the Foundation according to the law, this charter and the Foundation's rules of procedure. It must comply with the instructions and resolutions issued by the Board of Trustees. It implements the resolutions of the Board of Trustees and prepares the meetings of the Board of Trustees jointly with the Chairman of the Board of Trustees.

The tasks of the Director and the Manager include

1. Preparation of the annual business plan and the financial planning according to section 14 of this charter;
2. Bookkeeping on the portfolio of and changes to the Foundation's assets and on the income and expenses of the Foundation according to section 14 of this charter;
3. Presentation of the audited annual financial statements including management report according to section 14 of this charter and a detailed written report on the fulfillment of the Foundation's purpose to the Board of Trustees no later than eight months after expiry of a financial year;
4. Fulfillment of the obligation to inform the Foundation Supervision, particularly notification of any kind of change of the Executive Board and presentation of the annual financial statements;
5. Notification of the Board of Trustees about imminent legal disputes;
6. Participation in the meetings of Board of Trustees and Board of Curators according to section 8 para. 6 and section 12 para. 4 of this charter.

The tasks of the President include

1. Fulfillment of an internationally recognizable representation capacity for the Bach Archive Leipzig;
2. Actively bearing the title "President of the Bach Archive Leipzig Foundation";
3. Fundraising for tasks set out in this charter and projects of the Bach Archive;
4. Regular presence in Leipzig at selected dates and events.

With the management of the Foundation and with all transactions, the principles of economical and proper financial management must be complied with.

Section 12 Board of Curators

- (1) The Board of Curators is appointed by the Board of Trustees after consultation with the Executive Board for respectively five years. Re-appointment is possible.
- (2) The Board of Curators advises the Board of Trustees and the Executive Board and promotes the work and reputation of the Foundation.
- (3) The Board of Curators has up to thirty members.
- (4) The Board of Curators meets at least once a year following the invitation of the Board of Trustees. The Board of Trustees and/or at least one representative appointed by it and at least one representative of the Executive Board take part in this meeting.
- (5) Such persons are to be appointed to the Board of Curators who may particularly be expected to support the cause of the Foundation with their advice, their cooperation and their help. Persons from all spheres of life, particularly economy, science, research and culture should be represented.
- (6) There are no substitutes for Board of Curators members.
- (7) The members of the Board of Curators work on a voluntary basis. They may be appropriately reimbursed on demand for the expenses they incur in corresponding application of the Travel Expenses Act applicable to the City of Leipzig.

Section 13 Labor relations

The labor relations of the persons working in the Foundation including the Executive Board members are governed according to *TVöD / VKA*. For the employments that are transferred after the establishment of the Foundation from the City of Leipzig to the Foundation, the periods of employment with the City of Leipzig are acknowledged as periods of employment with the Foundation.

Section 14 Financial management

- (1) The Executive Board prepares a business plan according to section 14 (6) in due time prior to the start of the financial year. A medium-term financial planning is to be attached to it. Essential assumptions of the business plan must be substantiated within the framework of a comment and developments must be explained.
- (2) The business plan must be notified to the donors represented in the Board of Trustees in due time so that it can be considered during their annual budget negotiations.
- (3) The annual financial statements are rendered according to section 6 (2) sentence 2 *SächsStiftG* [Saxon law on foundations] 2007 as statement of account with a report on the fulfillment of the Foundation's purpose. The annual financial statements must be prepared by the Executive Board within three months after completion of the financial year. The Executive Board presents the annual financial statements and a proposal for the use of a potential annual profit and/or for handling a potential annual loss to the Board of Trustees and the Foundation Authority within six months after completion of the financial year. The audit of the annual financial statements and its extent may be decided by the Board of Trustees.
- (4) The donors represented in the Board of Trustees and the bodies entrusted with the audit are authorized to verify the use of the funds according to their respective budgetary provisions and to inspect the bookkeeping and financial management of the Foundation.

(5) The result of the audit of the annual financial statements is to be announced according to local custom.

(6) The Foundation is managed according to the principles of an economically operating and efficient operation in compliance with the task and the generally accepted accounting principles. The accounting system complies with the rules of commercial bookkeeping in compliance with the reporting requirements of the donors. Regular control of the income and expenditure development and of the Foundation's liquidity as well as the monitoring of internal budgeting is part of the accounting system.

(7) Within the framework of cost control, the Executive Board regularly prepares reports on the performance and on the economic and financial situation for the Chairman of the Board of Trustees during the financial year.

Section 15 Foundation Supervision

The Foundation is subject to the supervision of the competent Foundation Authority.

Section 16 Cancellation of the Foundation, dwindling of assets

If the Foundation is dissolved or cancelled or if its non-profit nature no longer applies, the assets are allocated to the City of Leipzig that uses them directly and exclusively for charitable purposes.

Section 17 Effective date

The charter is effective as of January 1, 1998.

The amended charter takes effect upon approval by the Foundation Supervision.