

Statute of the “Institute for Monetary and Financial Stability” (IMFS)

§ 1 Legal Status

The “Institute for Monetary and Financial Stability” (IMFS) is a research center of the Johann Wolfgang Goethe-University (“University”) according to § 54 para. 3 University Act of the State of Hesse (“HHG”).

§ 2 Tasks

- (1) The IMFS serves as implementation of the project “Monetary and Financial Stability”.
- (2) The tasks of the IMFS are in particular:
 - Economic and legal research in the areas of Money, Currency, and Public Finance;
 - Advice on questions of economic and legal policy in the areas of Money, Currency, and Public Finance;
 - Promotion of the exchange of views on scientific topics by organizing conferences and other events with national and international participation;
 - Fostering post-graduate higher education with a practical approach in the areas of Money, Currency, and Public Finance;
 - Strengthening and advancing public awareness of stable finances;
- (3) The IMFS contributes to:
 - Strengthening the academic expertise and policy advice in the area of “Stable money and stable financial systems” and;
 - Intensifying the exchange of knowledge between the banking sector and the central banks as well as the political sphere.

§ 3 Members

- (1) Members of the IMFS are:
 1. The holders of the three endowed chairs;
 2. The three chairholders who were chosen for the Executive Board of the IMFS by the President with consent of the Board of Trustees,
 3. The academic and administrative staff aiding the holders of the three endowed chairs;
 4. Academic staff from the departments 01 [law] and 02 [economics] in case they are participating in an IMFS project and are appointed by the Managing Director as members.
- (2) All members have the right and the duty to participate in fulfilling the tasks of the IMFS.

§ 4 Organs

Organs of the IMFS are the Executive Board, the Managing Director, and the Board of Trustees.

§ 5 Executive Board

- (1) The Executive Board consists of eight members.
- (2) Its members are the holders of the three endowed chairs and of the three chairholders appointed by the President with consent of the Board of Trustees from the departments of law and of economics of the University. The academic staff of the three endowed chairs delegates two board members in an advisory capacity.
- (3) The Managing Director acts as Chairperson of the Executive Board. The Managing Director and a deputy Managing Director are elected by the Executive Board with consent of the Board of Trustees from the holders of the three endowed chairs.
- (4) The tenure of the three chairholders appointed by the President is three years. They may be reappointed at discretion and for successive terms.
- (5) The membership of a board member ends with the termination of his office; for the members appointed by the President it may also end by resignation or removal from office.
- (6) The President may remove from office a member of the Executive Board who was appointed by him with the consent of the Board of Trustees for cause.

§ 6 Tasks of the Executive Board

- (1) The Executive Board takes decisions of principal significance in accordance with the tasks of the IMFS as described in § 2 of the statute.
- (2) Its tasks are in particular:
 - Decision on the appropriation of the funds of the IMFS (budget proposal),
 - Submission of an annual report to the Board of Trustees about the accomplishment of the tasks within three months of the end of each year.

§ 7 Decision-making of the Executive Board

- (1) Resolutions of the Executive Board are ordinarily adopted at board-meetings.
- (2) Meetings of the Executive Board are summoned by the Managing Director or his/her deputy as circumstances require, but at least twice a year, with an agenda proposal and two weeks in advance. A meeting shall also be summoned at the request of at least two members of the Executive Board.
- (3) A member of the Executive Board may be represented by another member with a written power of attorney. No Member of the Executive Board is allowed to represent more than one other member.

- (4) A quorum is constituted if the Executive Board has been duly summoned and half of the members or representatives, including the managing director or his/her deputy, are present. Flaws in the summons are considered to be remedied if all members are present and no one objects.
- (5) In case of a voting tie, the Managing Director exercises the casting vote.
- (6) The Executive Board adopts its own rules of procedure. The rules of procedure enumerate the legal transactions the Managing Director is authorized to carry out in accordance with § 8 of the statute and those which require prior approval by the plenary Executive Board.
- (7) Members of the Board of Trustees, the Foundation “Money and Currency”, and the Presidium of the University are entitled to participate in the meetings of the Executive Board.

§ 8 Tasks of the Managing Director

- (1) The Managing Director is in charge of the day-to-day operations and represents the IMFS externally. He/she shall be entitled to decide matters autonomously that normally fall within the framework of day-to-day operations.
- (2) He/she preserves the order of the facilities of the IMFS and exercises the domiciliary rights. This power is granted without prejudice to the right of the President to enforce the domiciliary rights according to § 44 para. 1 of the HHG.
- (3) Moreover, he/she has the following tasks:
 - Forwarding the decisions of the Executive Board to the Board of Trustees;
 - Implementation of the valid decisions of the Executive Board;
 - Preparation of the annual report on the fulfillment of the tasks, including a report on the disbursement of funds;
 - The selection, which means appointment and termination of office, of academic and technical-administrative staff.

§ 9 Board of Trustees

- (1) The Board of Trustees consists of six members.
- (2) The Chairperson of the Board of Trustees of the Foundation “Money and Currency” and the Chairperson of the Executive Board of the Foundation “Money and Currency” as well as the President of the University serve, *ex officio*, as members.
- (3) The Foundation “Money and Currency” appoints one additional member, whereas the President appoints the remaining two members to the Board of Trustees. The members appointed by the President have to be members of the law or of the economics department.
- (4) The Board of Trustees, by a majority vote, elects a Chairperson from amongst the Trustees.
- (5) The term of office of the appointed members begins with the appointment to the Board of Trustees and terminates in the fifth ensuing year. Members of the Board of Trustees may be reappointed at discretion and for successive terms.

- (6) The Foundation “Money and Currency” and the President of the University are entitled to remove one of the appointed members prematurely from office.

§ 10 Tasks of the Board of Trustees

- (1) The Board of Trustees shall advise, support and supervise the Executive Board in fulfilling its tasks.
- (2) The tasks of the Board of Trustees are in particular:
- Approval of the budget proposal of the Executive Board;
 - Acceptance of the annual report on the fulfillment of the tasks as well as the report on the disbursement of funds;
 - Approval of the appointment and of the removal from office of the members of the Executive Board who are appointed to the Executive Board of the IMFS by the President of the University;
 - Approval of the rules of procedure of the Executive Board according to § 7 para. 6 of the statute;
 - Approval of the election of the Managing Director.

§ 11 Decision taking of the Board of Trustees

- (1) Resolutions of the Board of Trustees are normally adopted at a meeting.
- (2) Meetings of the Board of Trustees are summoned by the Chairperson as circumstances require, but at least once a year, with an agenda proposal and two weeks prior notice.
- (3) Resolutions are adopted by simple majority of the members present. In case of a voting tie, the Chairperson of the Board of Trustees exercises the casting vote.
- (4) The President of the University, the Chairperson of the Executive Board of the Foundation “Money and Currency”, and one additional member constitute a quorum.

§ 12 Evaluation

The performance and the organizational structure of the IMFS are evaluated for the first time after a period of two years after the inauguration of the project; further interim evaluations and a final evaluation shall be carried out.

§ 13 Entering into force

According to the decision of the President taken according to §94 para. 5 HHG, this statute enters into force three months after it has been filed with the Ministry of Sciences of the State of Hesse and publicly displayed.

Signed: R. Steinberg

President of the Johann Wolfgang Goethe-University Frankfurt am Main