



Diamond Way Buddhism Foundation

Charter

Article 1

Name, Legal Form, Seat, Financial Year

1. The name of the Foundation shall be “Buddhismus Stiftung Diamantweg”; with the extension “of the Karma Kagyu Lineage” in the subtitle. The Foundation is an incorporated foundation with legal capacity according to German civil law.
2. The seat of the Foundation shall be Darmstadt. Business year of the Foundation shall be the calendar year.

Article 2

Object of the Foundation

1. Object of the Foundation is the creation and maintenance of a permanent basis from which to enable both laypeople and achievers to maintain, cultivate and practice Buddhist religion, philosophy and culture in countries that are not originally Buddhist, in line with the traditions of the Karma Kagyu lineage of Tibetan Buddhism.
2. The Foundation shall solely and exclusively pursue non-profit-making purposes within the meaning of the section on tax privileges for non-profit organizations of the German Fiscal Code (Abgabenordnung).
3. Object of the Foundation according to § 2, subsection is the promotion of projects serving the teaching, study and practice of the lay and achiever paths in the Diamond Way transmission of the Karma Kagyu lineage at home and abroad and in particular through
 - a. the promotion of persons who teach the practice and theory of the Karma Kagyu lineage (Teachers); and/or who practice in longer meditation retreats (laymen and achievers as well as monks and nuns the latter from originally Buddhist countries and/or of those who translate authentic Buddhist texts (translators);
 - b. the allocation of sponsorship funds to persons studying the Tibetan language or Buddhism at an institution of higher education;
 - c. the acquisition, erection, conversion and sustenance and any type of promotion of real estate property which is to serve as accommodation for laymen and/or achievers and for the joint studying and practising (Buddhist Centres) and the promotion of real estate



- property for retreats and also the promotion of Buddhist monasteries in originally Buddhist countries;
- d. the promotion of Buddhist art, including architectural and of Tibetan medicine;
 - e. the promotion of charitable, socially beneficial, and educational facilities to the extent that this is permissible under the German Fiscal Code (§ 58, subsections 1 and 2);
 - f. the promotion of projects serving the Buddhist practices of terminal care, as well as the creation and maintenance of Buddhist cemeteries.
4. The Foundation is selfless in pursuing its Object and does not primarily pursue own economic objects.
 5. For the purposes of realising its objects, the Foundation may involve auxiliary persons.
 6. The funds and assets available to the Foundation are to be employed solely and exclusively pursuant to the objects defined in the Charter. The Foundation may consult both domestic and foreign corporations as auxiliary persons in the process of realising the Foundation's Object. For that purpose, the Foundation has the power to pay funds to such domestic and foreign corporations in their capacity as auxiliary persons. For foreign corporations this authorization to pay funds is limited to such corporations as are comparable to the specifications set out in § 1 of the German Corporation Tax Law (Körperschaftsteuergesetz). The authority to involve auxiliary persons and to allocate funds to them is subject to the inalienable condition of a use of the funds, which is strictly in line with the Foundation's objects as defined in the Charter. The Foundation is responsible for ensuring that the Foundation's funds are allocated in a manner that complies with the Charter of the Foundation e.g. by agreeing on corresponding project contracts.

Article 3

Patronage

His Holiness the 17th Gyalwa Karmapa Trinley Thaye Dorje is the Foundation's patron. The Board of Directors shall report to him annually on the Foundation's activities.

Article 4

Spiritual Counsel

His Holiness the 17th Gyalwa Karmapa Trinley Thaye Dorje (of India), Kunzing Shamar Rinpoche (of India) and Jigme Rinpoche (of France) are the spiritual counsels to the Foundation.



Article 5

Assets of the Foundation

1. The Foundation's assets result from the Foundation's business. They shall be maintained undiminished.
2. The Foundation may accept any form of grant in the form of donations and/or endowment contribution (e.g. cash, fixed assets, real estate property, securities as well as participations in capital or private companies and any form of beneficial interest in them).
3. Benefits granted to the Foundation by third parties shall accrue to the Foundation's assets where they are intended to accrue as such (endowment contributions). Benefits granted out of a deceased's will may be accrued to the Foundation's assets if the deceased did not specify that the benefits granted were to be allocated to the current expenditures for the purposes of fulfilling the Foundation's objectives.

Article 6

Application of the yields on assets and donations

1. The Foundation's yields on assets and donations shall be promptly applied to fulfil the Foundation's Object. Upon a donor's request to do so, the Foundation must bind itself to allocate the donor's funds to a specified project. The Foundation shall be entitled to accumulate reserves to the extent that such accumulation is in line with the legal provisions of § 58, no. 6 and no. 7 of the German Fiscal Code.
2. No person may benefit from expenditures that do not comply with the Foundation's object, or from unreasonable remunerations.

Article 7

Legal Status of Beneficiaries

This charter does not grant to the beneficiaries of the Foundation any legal claim in any service of the Foundation.



Article 8

The Foundation's Bodies

The Foundation's bodies are

- (a) the Board of Directors,
- (b) the Management Board, and
- (c) the Advisory Board

All disbursements and expenditures incurred by the members of the Board of Directors, of the Advisory Board and the Managing Board will be refunded to them. Lump-sum expense allowances and lump-sum disbursements of expenses are allowed.

Article 9

The Board of Directors

1. The Board of Directors conducts the businesses of the Foundation and represents it in judicial and extrajudicial matters. In doing so the Board of Directors may at its own discretion be assisted by a Managing Board, consisting of up to three Managing Directors with notarized power of attorney and if necessary of further project specific managing directors with project specific powers of attorney.
2. Within the lifetime of Lama Ole Nydahl, the Board Directors will consist of two members and one chairman with specific rights and thereafter the Board will consist of three members that will function as a co-operative council. Its appointment, dismissal and period of office shall be determined depending on the affiliation to one of the three generations defined hereinafter:
 - a. First Generation: Within the lifetime of Lama Ole Nydahl the Board of Directors of the Foundation shall consist of the three following named members: Lama Ole Nydahl (Chairman), Catrin Hartung and – for the deceased founder Hannah Nydahl – Mr. Gergely Porkoláb.
 - i. All members of the Board of Directors hold their office for the duration of their life. Notwithstanding that provision, Lama Ole Nydahl has the power to remove members from the Board of Directors and to appoint new members.
 - ii. In all internal matters Lama Ole Nydahl (Chairman) has sole power to give instructions. In all external matters Lama Ole Nydahl will represent the Foundation together with a second member of the Board of Directors.



- iii. Lama Ole Nydahl appoints and dismisses the Managing Directors.
 - iv. Lama Ole Nydahl appoints and dismisses the members of the Advisory Board.
- b. Second Generation: In the transitional period following the death of Lama Ole Nydahl, the Board of Directors shall be constituted of the other two named members of the Board of Directors.
- i. The term of office of the two remaining members of the Board of Directors shall be terminated through their death or resignation from office. Within no more than six months from the death of Lama Ole Nydahl these two remaining members of the Managing Board will appoint a third member to the Board of Directors. In case the two remaining members of the Board of Directors fail to agree to a third member within the six month period following the death of Lama Ole Nydahl, or if they fail to appoint a third member to the Board by some other reason, then the Advisory Board shall appoint the third member in line with the provisions of Article 10 (4) of this Charter. In the meantime, the remaining members of the Board of Directors will continue to conduct the businesses of the Foundation.
 - ii. Two members of the Board of Directors shall together conduct the businesses of the Foundation and represent it. Pursuant to § 26, subsection 2, clause 2 German Civil Code the Board of Director's power to represent as regards the sale of real property is restricted towards third parties as follows: The resolution of the Board of Directors must be made unanimously and is subject to the approval of the Advisory Board according to Article 10 (4 c).
 - iii. Two members of the Board of Directors appoint and dismiss the Managing Directors.
 - iv. All members of the Board of Directors appoint collectively the members of the Advisory Board.
- c. Third Generation: If a member of the Board of Directors, who had been appointed for life resigns from office this member of the Board of Directors as well as any other departing member of the Board of Directors will be replaced by the two remaining members of the Board of Directors by way of an amicable reappointment (co-option). In the event that the remaining members of the Board of Directors fail to appoint another member to the Board of Directors within a period of three months or if no other member is appointed within the same period for any reason whatsoever, the new Member of the Board of Directors will be determined in accordance with the provisions of Article 10 (4 a) (appointment through the



Advisory Board). In the transitional period the Foundation's businesses will be conducted by the remaining member of the Board of Directors.

- i. The term of office of all subsequently appointed members of the Board of Directors (third generation) shall terminate upon their dismissal by two named members of the second generation; upon completion of the 75th year of age; by resignation; by death or by dismissal through the Advisory Board in accordance with the provisions of Article 10 (4 b).
 - ii. Two members of the Board of Directors will together conduct the Foundation's businesses and represent it. Pursuant to § 26, subsection 2, clause 2 German Civil Code the Board of Director's power to represent as regards the sale of real property is restricted towards third parties as follows: The resolution of the Board of Directors must be made unanimously and is subject to the approval of the Advisory Board according to Article 10 (4 c).
 - iii. Two members of the Board of Directors appoint and dismiss the Managing Directors.
 - iv. All members of the Board of Directors appoint collectively the members of the Advisory Board.
3. The Board of Directors will pass its resolutions by way of ordinary and extraordinary Board Meetings as well as on request through the Managing Directors by way of the written circulation (to be executed through personally signed facsimile to the Managing Board).
 - a. The Board of Directors will convene in a Board Meeting once per year; the Managing Board will summon these meetings as agreed with the Board of Directors. Object of the Board Meetings will be the activity report of the preceding business year.
 - b. The Board of Directors may also be convened in an extraordinary Board Meeting by giving at least four (4) weeks notice to each member of the Board of Directors. Extraordinary Board Meetings may be conducted by telephone or video-conference or any similar method.



Article 10 Advisory Board

1. The Advisory Board has a primarily advisory function and is subject to specific rights and obligations pursuant to the provisions of subsection 4a, b, and c.
2. The Advisory Board consists of no less than 15 members, and the number of members must always be odd. The composition of the Advisory Board is supposed to reflect the bandwidth of the Foundation's activities.
 - a. First Generation (in the sense of Article 9, subsection 2): During the lifetime of Lama Ole Nydahl the members of the Advisory Board will be appointed and if necessary removed by Lama Ole Nydahl. The term of office for members of the Advisory Board shall be seven (7) years. Repeated appointment following the end of a term of office shall be possible – also tacitly.
 - b. Second generation (in the sense of Article 9, subsection 2): Then the members of the Advisory Board will be appointed by unanimous resolution of the Board of Directors. The term of office for members of the Advisory Board shall be seven (7) years. Repeated appointment following the end of a term of office shall be possible – also tacitly.
 - c. Third generation (in the sense of Article 9, subsection 2): The members of the Advisory Board will be appointed by unanimous resolution of the Board of Directors. Members of the Advisory Board may only be removed for good cause, for example in the event of disrespect of the objectives, contents and orientation of the Foundation. The term of office for members of the Advisory Board shall be seven (7) years. Repeated appointment following the end of a term of office shall be possible – also tacitly.
3. The Advisory Board shall participate in all ordinary meetings of the Board of Directors in an advisory capacity. The special rights and obligations in the sense of subsection 1 will be exercised in extraordinary Meetings of the Board of Directors, which will be convened by the persons authorized to convene such meetings, and who are defined in subsection 4 and with a notification period of 4 weeks; the invitations to these meetings shall also indicate the resolutions to be passed. In these cases quorum will be constituted if at least three quarters of the invited members are present; a representation to exercise the voting rights is not permissible. The minutes must be



signed by the recording clerk; then they must be handed out to the Managing Board and be made accessible to all members of the Board of Directors and of the Advisory Board.

4. The Advisory Board has the following special powers, which may be exercised at its extraordinary Meetings:

- a. In the event that, following the first or second generation (in the sense of § 9) the remaining members of the Board of Directors can not agree on the appointment of new members to the Board of Directors, it shall be the duty of the Advisory Board to appoint the new members of the Board of Directors in the following manner:
 - i. The Management Board, if any or if there is no Managing Board a member of the Board of Directors will convene an extraordinary Meeting of the Advisory Board, to which also the Board of Directors will be invited.
 - ii. At such extraordinary General Meeting of the Advisory Board, the Board of Directors shall make a report. Following this there shall be a discussion. After the discussion, all members of the Advisory Board shall be entitled to nominate a candidate. In the subsequent election only the members of the Advisory Board and the remaining members of the Board of Directors shall be entitled to one vote each. The vote will be won by that candidate who receives the absolute majority of the votes cast of the Advisory Board, which constitutes quorum. If necessary, several voting rounds and/or a run-off vote will be required to reach a decision.
 - iii. If the Advisory Board does not reach an agreement within 72 hours from the convention of the meeting, then the longest-serving Managing Director shall be appointed as new member of the Board of Directors of if there are several Managing Directors who have held such office for an equal period of time, the oldest of these shall be appointed. If there is no Managing Board then the longest-serving member of the Advisory Board shall be appointed as new member to the Board of Directors. In case that there are several members of the Advisory Board who have held such office for an equal period of time, the oldest of these shall be appointed.
- b. In the event that none of the persons named in this Charter is still member of the Board of Directors (third Generation), the Advisory Board may dismiss one or two (but not all three) member(s) from the Board of Directors simultaneously and replace them by new member(s) of the Board of Directors:



- i. One third of the members of the Advisory Board have the right to convene an extraordinary Meeting of the Advisory Board.
 - ii. Individual members of the Board of Directors may be dismissed with a qualified majority of four fifths of the votes cast in a meeting of the Advisory Board, which has quorum provided that the Advisory Board will appoint new members of the Board of Directors in corresponding number.
 - iii. Such appointment shall be conducted in the manner provided for in Article 10(4) (a) (ii).
- c. Following the death of Lama Ole Nydahl, the consent of the Advisory Board will be required for the sale of real estate:
 - i. The Management Board or alternatively a member of the Board of Directors convenes an extraordinary Meeting of the Advisory Board.
 - ii. The resolution can be approved with a qualified majority of three quarters of the votes cast in the meeting of the Advisory Board, which has quorum.
 - iii. In cases of urgency, the procedure defined in (i) and (ii) above may be replaced by a written notice procedure (which may be exercised by way of signed facsimile to the Management Board); resolutions in these cases are passed with the qualified majority of three quarters of the written replies.

Article 11

Alterations to the Charter

1. Lama Ole Nydahl will decide on alterations to the Charter.
2. Following the death of Lama Ole Nydahl (i.e. from the second Generation) decisions on the alteration of the Charter shall be made by unanimous agreement of the members of the Board of Directors. The Object of the Foundation (as set out in Articles 2 (1) and 3 (1)) shall be excluded from an alteration; this applies analogously to Articles 3, 9 (2, 10), clauses 1, 11 13, 15. The individual sponsorship objectives described in Article 2, (1 and 3, clause 1) may not be altered but only extended by additional activities.
3. In the place of the 17th Karmapa Trinley Thaye Dorje may be inserted his successor's name insofar as that successor is recognised by the 14th Shamarpa Rinpoche or his successor named or recognized by the 17th Karmapa Trinley Thaye Dorje (the 15th Shamarpa Rinpoche).
4. This rule (recognition of the Gyalwa Karmapa by Shamarpa Rinpoche and/or recognition of the Shamarpa Rinpoche by the Gyalwa Karmapa) is to apply analogously to all further incarnations of



the Gyalwa Karmapas and of the Shamarpa Rinpoches. To the extent that one of them is still to be recognized, the members of the Board of Directors and of the Management Board together shall pass a majority resolution.

§ 12

In case of a dissolution or abolition of the foundation or in case of a loss of the tax privileges for non-profit organizations, its assets shall pass to the “Buddhistischer Dachverband Diamantweg” e.V. having its seat at Wuppertal, which shall use them directly and exclusively for non-profit, charitable or churchly purposes.

Article 13

Written Form

In those instances where written notices are required, communication by email without digital signature shall suffice; without affecting the provisions from Article 10 (4).

Article 14

Coming into Force

The Charter shall enter into force upon the delivery of the deed of approval. The same shall apply to any alterations of the Charter.

Article 15

Guiding Principles

Touchingly modest as always, I would like to underline our intentions – the Foundation’s founders. We wish to impart the unique psychological and philosophical methods offered by the lay Buddhism of the Karma Kagyu School to the free world of today and the hopefully free world of tomorrow.

The work involved in such a project is, of course, honorary and solidly based in friendship. When people offer more they will also receive more, for the benefit of all. May we grow from this as humans!



**Buddhismus Stiftung Diamantweg
of the Karma Kagyu Lineage**

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