



The
Generation
Forest

Articles of Association

The Generation Forest eG as of March 19th, 2021

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I. Location and purpose of the cooperative

§1 Company and Registered Office

(1) The name of the cooperative is:

The Generation Forest eG

(2) The headquarters of the cooperative are in Hamburg.

§ 2 Purpose and subject matter

(1) The purpose of the cooperative is the economic promotion and support of the members and their social and cultural concerns within the scope of the corporate purpose according to Paragraph (2).

(2) The object of the cooperative is the sustainable reforestation of forests, the subsequent agricultural and forestry use in compliance with ecological, economic and ethical principles, as well as the marketing of products from sustainable production. The purpose of the company therefore includes:

a) The joint purchase or leasing of

land required for the planting of forests.

b) The planting and research of forests according to the principle of "Generation Forest".

c) Information and advice given to members and the public in all questions connected with the object of the cooperative.

d) The cooperative can also expand its business operations to include other sustainable and environmentally friendly forms of use. Furthermore, it can acquire, manage, broker, sell and look after forests and agricultural land in all legal forms and forms of use; it can take over all work in the forest and agriculture sector and can also use third parties for this purpose.

e) The further processing and sale of certified and sustainably produced precious wood, as well as the objects of the cooperative mentioned in §2 Paragraph 2, Letter d, should take place in Germany in particular.

(3) The cooperative may only plant afforestation, manage forest and agricultural land, offer and process wood, as well as other products and

environmental services from them, and sell products that are both ecological (§2 Paragraph (3a)) and social (§2 Paragraph (3b)), which should be economic (§2 Paragraph (3c)) guidelines of the cooperative. The guidelines listed in the aforementioned Paragraphs must be adapted accordingly in the event of business expansion or changing circumstances. The organs of the cooperative are entitled at any time to have the fulfilment of the aforementioned requirements verified by suitable experts at the expense of the cooperative.

(3a) Compared to the land use type encountered prior to reforestation, the following environmental indicators should measurably increase:

- Permanent forest area.
- Binding of carbon dioxide.
- Species diversity.

(3b) Compared to the land use type encountered prior to reforestation, the following social indicators should measurably increase:

- Jobs for the indigenous rural population who work in reforestation.
- Forestry and personal skills and knowledge of the local population

working in reforestation.

(3c) Compared to the land use type encountered prior to reforestation, the following economic indicators should measurably increase:

- Production of wood through the use of suitable silvicultural techniques, growth optimization and protection of trees from damage caused by fire and diseases.

(4) The expansion of business operations to include non-members is permitted.

(5) The cooperative is a social enterprise with the aim of solving the problem of deforestation in an entrepreneurial way. Reforestation only leads to an economic return at a later stage.

(6) No person may benefit from expenses that contradict the purpose of the cooperative or from disproportionately high remuneration.

(7) The duration of the cooperative is indefinite.

(8) The cooperative can participate in other companies and/or assume their liability, found or acquire other companies, provided this is in the in-

terest of the funding purpose.

(9) The cooperative pursues the further purpose of having a significantly positive effect on the common good and the environment with its business activities.

II. Membership

§ 3 How to become a member

(1) Members can be:

- a)** natural persons,
- b)** private companies,
- c)** legal persons under private and public law.

(2) Membership is acquired through:

a) an unconditional declaration of accession to be signed by the acceding parties, which must meet the requirements of the Cooperative Society Act and

b) the approval of membership by the Board of Directors.

(3) The member is to be entered in the list of members immediately and to be notified of this immediately. In

the event of rejection, the applicant must be notified immediately, and the declaration of membership returned.

Members within the meaning of § 3.1 can be admitted as investing members.

§ 4 Investing members

Investing members have the same rights and obligations as regular members, unless the GenG or the statutes (cf. § 26, Para.8) determine otherwise. Based on § 8 Para. 2 Sentence 2 GenG, investing members can under no circumstances overvote the full members and resolutions that require a majority of 90% of the votes cast according to the law or the statutes cannot be prevented by the investing members. The admission of the investing members requires the approval of the Supervisory Board.

§ 5 Termination of Membership

Membership is terminated through:

- a)** Termination (§ 6),
- b)** Transfer of business credit (§ 7),
- c)** Death (§ 8),
- d)** Dissolution or expiry of a legal person or a partnership (§ 9),

e) Exclusion (§ 10).

§ 6 Cancellation of Membership

(1) The member may terminate his or her membership at the end of a fiscal year by giving one year's notice before the end of the respective fiscal year.

(2) If a member holds more than one share, he or she may terminate one or more shares of his or her additional shareholdings in writing at the end of a financial year, giving six months' notice before the end of the fiscal year in question.

(3) The notice of termination must be in writing and must be received by the cooperative at least 6 months before the end of the fiscal year.

(4) The member leaves the cooperative at the end of the year at which the termination was given in due time.

§ 7 Transfer of business credit

(1) A member can at any time transfer his/her credit balance in whole or in part to another by means of a written agreement. If the member transfers his or her entire business credit, he

or she leaves the cooperative without any dispute. The transfer requires the approval of the Board of Directors.

(2) If the purchaser is not a member of the cooperative, he or she must purchase a membership. If the purchaser is already a member, the business credit of the person leaving the company shall be added to his or her business credit.

(3) For the transfer of business credit, a fee appropriate to the expenditure will be charged, which the Board of Directors will decide upon.

§ 8 Termination of membership in the event of death

A member is no longer a member after their death; however, their membership with all rights and obligations is transferred to the heirs, unless the member has made any other legally effective disposition. If there are several heirs and they do not inform the cooperative in writing within 6 months of the death to which of them the membership has been left solely, the membership shall end at the end of the fiscal year in which the deadline expires.

Several heirs may only make declarations to the cooperative through a joint representative. The same applies to exercising voting rights in the General Assembly. The cooperative must be notified of the joint representative in writing without delay.

§ 9 Termination of membership through dissolution or expiry of a legal person or partnership

If a legal person or a partnership that is a member of the cooperative is dissolved or expires, membership ends at the end of the fiscal year in which the dissolution or expiry took effect. If the dissolution or the expiry leads to a universal succession, the universal successor continues the membership until the end of the fiscal year.

§ 10 Exclusion of a member

(1) A member may be expelled from the cooperative at the end of the fiscal year for the reasons stated in accordance with § 68 GenG if he or she

a) does not have the capacity to hold public office, to participate in public elections or to be elected; this applies *mutatis mutandis* to the bodies appointed to legally represent legal ent-

ities, as well as to the partners authorized to represent partnerships;

b) if, despite a written request and subsequent warning, he or she fails to fulfil the obligations incumbent upon him or her under the law or the Articles of Association or the contract. This applies in particular if this results in the risk of a considerable impairment of the cooperative's reputation, its efficiency or the interests of its members;

c) if he or she culpably in any other way damages or tries to damage the reputation or the economic interests of the cooperative or its members through behavior contrary to the cooperative, or in the case of reduced or unreasonable capacity;

d) if he or she has moved and not made it known and the whereabouts are not known by the end of the fiscal year. In this case, the exclusion will be announced on the cooperative's own website following a resolution by the Board of Directors;

e) if the prerequisites for admission to the cooperative did not exist or no longer exist;

f) if, in the case of membership of

partnerships or legal entities under private and public law, persons already excluded from the cooperative hold a significant shareholder position or exercise a significant influence on business policy.

(2) The exclusion takes place by resolution of the Board of Directors. The member to be excluded must be given the opportunity beforehand to comment on the intended exclusion.

(3) The expelled person must be notified of the expulsion decision by registered letter. From the time the letter is sent, the expelled person can no longer attend a General Assembly.

(4) A member of the Board of Directors or the Supervisory Board can only be excluded by resolution of the General Assembly.

§ 11 Disputes

(1) The cooperative has to deal with the dispute. The annual financial statements adopted by the General Assembly of Shareholders for the fiscal year at the end of which the member left shall be decisive. In the case of the transfer of business credit (§ 7) there is not a dispute.

(2) The dispute credit is always calculated according to the business credit (§37). Loss carryforwards are taken into account in the ratio of the shares.

(3) In the event of a dispute, the cooperative is entitled to offset the claims due against the resigned member against the credit balance to be paid out. The cooperative shall be liable for the member's settlement balance in the event of any default, in particular in the event of the member's insolvency proceedings. The assignment and pledging of the dispute credit to third parties is only permitted with the consent of the cooperative. The member is not permitted to set off the dispute credit against his or her liabilities to the cooperative.

(4) The assets in dispute shall be paid out to the withdrawing party within 6 months of the end of the fiscal year in which the withdrawal took place, subject to the provisions of Paragraph 5.

(5) If the statutory minimum capital of the cooperative (§ 37, Paragraph 4) would be undershot as a result of the payment of the dispute credit, the claim to dispute is wholly or partially suspended until payment is possible again without falling below the mini-

mum capital. Claims from previous years affected by a suspension are given priority, also in relation to one another.

(6) Paragraphs 1 - 5 apply accordingly to the dispute when terminating individual business shares.

§ 12 Rights of members

(1) All members have the same rights, unless the law or these statutes prescribe any restrictions. They exercise this jointly in matters relating to the cooperative through resolutions and elections in the general assembly.

(2) Every member has the right to make use of the services of the cooperative and to participate in the shaping of the cooperative in accordance with the Cooperatives Act, these Articles of Association and the agreements concluded between him/her and the cooperative.

(3) The tasks of the cooperative result in particular in the right of every member to use the services and facilities of the cooperative in accordance with the provisions made for them, as well as the right to participate in other benefits that the cooperative of-

fers its members in accordance with the provided guidelines within the meaning of § 2 Paragraph 3 and Paragraph 5.

(4) On the basis of membership, the member is entitled, above all,

a) to exercise the right to vote in the General Assembly (§ 26), unless participation is excluded in accordance with § 10 Paragraph 3;

b) Requesting information at the General Assembly (§ 34);

c) to inspect the minutes of the resolutions of the General Assembly and to request, at one's expense, a copy of the annual financial statements, the management report, to the extent required by law, and the comments of the Supervisory Board, which are available for inspection at the office;

d) to declare resignation from the cooperative (§ 6);

e) to transfer business credit to another person by written agreement (§7);

f) to demand payment of dispute credits pursuant to § 11;

g) in a petition signed by the tenth

part of the members to demand the calling of an extraordinary General Assembly, as well as the setting, amendment and deletion of agenda items in a general assembly that has already been called.

h) to apply to the court for the appointment or dismissal of liquidators in a petition signed by the tenth part of the members (§ 83 Para. 4 in conjunction with Para. 3 GenG).

§ 13 Obligations of the members

Every member has the duty to protect the interests of the cooperative. They must in particular:

a) comply with the provisions of the Cooperatives Act, the Articles of Association and the resolutions of the General Assembly;

b) pay in full the shares they have subscribed to; contributions in kind are permitted;

c) Share business shares in accordance with § 37;

d) Notify the cooperative without delay of any change of address and, in the case of companies, of any changes in the legal form, ownership and

shareholdings of his company;

e) Pay the entry fee set by the General Meeting on each share that is added to the capital reserve.

III. Organs of the cooperative

§ 14 Organs of the cooperative

(1) The organs of the cooperative are:

- A. Board of Directors
- B. The Supervisory Board
- C. General Assembly

A. Board of Directors

§ 15 Management of the cooperative

(1) The Board of Directors runs the cooperative on their own responsibility.

(2) The Board of Directors conducts the business of the cooperative in accordance with the provisions of the law, in particular the cooperative law, the Articles of Association and the rules of procedure for the Board.

(3) The Board of Directors represents the cooperative in and out of court in accordance with § 16 of the Articles of Association.

§ 16 Representation

(1) Two members of the Board of Directors can sign legally binding documents for the cooperative and make declarations (legal representation). The Supervisory Board may exempt individual or all members of the Board of Directors from the prohibition of multiple representation under Section 181 Alternative 2 of the German Civil Code (BGB), i.e., grant them the authority to act simultaneously as representatives of third parties in all legal acts undertaken by the cooperative or vis-à-vis third parties, and it may grant individual representation authority for individual or all members of the Board of Directors.

(2) The regulations on the granting of power of attorney and other powers of representation remain unaffected (legal representation). Further details are set out in the Rules of Procedure for the Board. § 25 para. 3 GenG remains unaffected.

(3) § 25 Abs. 3 GenG bleibt unberührt.

§ 17 Tasks and obligations of the Board.

(1) The members of the Board of Di-

rectors must exercise the care of a prudent and conscientious manager of the cooperative in their management. Even after leaving the company, they must maintain secrecy about confidential information and secrets, in particular company and business secrets, which they have become aware of through their work on the Board of Directors.

(2) The Board is in particular obligated

a) to draw up rules of procedure after hearing the Supervisory Board, to be resolved unanimously by the Board of Directors and to be signed by all members of the Board of Directors;

b) to decide on the admission of the membership acquisition and on the participation with further business shares, as well as to keep the list of members in accordance with the stipulations of the cooperative law;

c) to prepare the annual financial statements and the management report within 5 months of the end of the fiscal year at the latest, if required by law, to submit them to the Supervisory Board immediately along with its remarks to the General Assembly for the approval of the annual financial statements;

d) to notify the auditing association of the convocation, date, agenda and motions for the General Assembly in good time;

e) to notify the auditing association in good time of any intended amendments to the articles of association;

f) to remedy the deficiencies recorded in the audit report and to report them to the auditing association.

(3) In the course of their management activities, the members of the Board of Director's have assessed the impact of their actions on:

(a) the members of the cooperative;

(b) the employees of the cooperative, its subsidiaries and its suppliers; the customers as beneficiaries of the cooperative's efforts to achieve a significantly positive impact on the common good and the environment;

(c) the municipalities in which the cooperative, its subsidiaries or its suppliers are located;

(d) the municipalities in which the cooperative, its subsidiaries or its suppliers are located;

(e) the environment on site as well as in the global context; and

(f) the short- and long-term interests of the cooperative;

(g) the aforementioned groups of people (referred together as the „Stakeholders“) must be taken into account.

As part of their management activities, the members of the Board of Directors must promote the success of the cooperative to the best of their knowledge and belief, without being required to give priority to the interests of individual stakeholders or groups of stakeholders.

§ 18 eporting to the Supervisory Board

The Board has to inform the Supervisory Board at least every six months, and at shorter intervals upon request, to be submitted among other things:

a) an overview of the business period that has elapsed on the basis of business evaluations;

b) a list of the total liabilities of the cooperative including the bill of ex-

change obligations and the guarantee obligation;

c) a business plan for the next 12 months and an outlook for the future.

§ 19 Composition and employment relationship

(1) The Board consists of at least 2 natural persons and a maximum of 5 persons who must be members of the cooperative. The appointment of additional Board members is permitted. The Supervisory Board can appoint one member of the Board of Directors as Chairman and another member of the Board of Directors as their deputy.

(2) The Board members become part of the Supervisory Board for a period of 3 years.

(3) The Chairman of the Supervisory Board signs the service contracts with the members of the Board of Directors on behalf of the cooperative. Members of the Board of Directors can request the conclusion of an appropriate D&O insurance at the expense of the cooperative.

(4) The termination of the employ-

ment relationship of a member of the Board of Directors subject to the contractual or statutory deadline, as well as the conclusion of termination agreements, are only possible by resolution of the Supervisory Board. The General Assembly is responsible for extraordinary termination of the employment relationship for an important reason (termination without notice). The termination of the employment relationship results in the suspension of the position on the executive body.

(5) The Supervisory Board is authorized, at its discretion, to temporarily relieve members of the Board of Directors of their duties pending a decision by the General Assembly, which is to be convened without delay, and to take the necessary steps for the temporary continuation of such duties.

§ 20 Formation of will

(1) The Board has a quorum if more than half of its members participate. It passes its resolutions with a majority of the validly cast votes. In the event of a tie, an application is deemed to be rejected. If the Supervisory Board has appointed a chairman of the Board of Directors, their vote is

decisive for votes in the Board of Directors and in the event of a tie. The same applies to the vote of the deputy in the absence of the Chairman.

(2) Resolutions that go beyond regular business operations are to be recorded. The minutes are to be numbered consecutively and signed by the Board members involved in the decision-making process.

§ 21 Participation in meetings of the Supervisory Board

The members of the Board of Directors are obliged to attend the meetings of the Supervisory Board if this is requested by the Supervisory Board. At the meetings of the Supervisory Board, the Board of Directors shall provide the necessary information on business matters. When the Supervisory Board passes resolutions, the members of the Board of Directors have no voting rights.

B. Supervisory Board

§ 22 Functions and duties

(1) The Supervisory Board has to supervise the management of the Board of Directors. For this purpose, it has to be informed about the affairs

of the cooperative. It can request a report on this from the Board of Directors at any time and inspect the books and documents of the cooperative itself or through individual members to be determined by it, as well as check the cash balance and the holdings of securities and trading papers.

(2) The Supervisory Board has to examine the annual financial statements, the management report, if required by law, and the Board of Director's proposal for the appropriation of an annual surplus or the covering of an annual deficit. It has to comment on this and to report to the General Assembly before the annual financial statements are adopted.

(3) The Supervisory Board can form committees from among its members in order to fulfil its statutory and obligations and can access the help of experts at the cooperative's expense. Insofar as the Supervisory Board forms committees, it shall determine whether these have advisory or decision-making powers; it shall also determine the number of committee members. A committee must consist of at least 3 people. A committee constitutes a quorum if more than half of its members are present. Sec-

tion 25 of the Articles of Association also applies to the adoption of resolutions.

(4) Details on the fulfilment of the duties incumbent on the Supervisory Board are set out in the Rules of Procedure of the Supervisory Board. It is to be drawn up by the Supervisory Board after hearing the Board of Directors and given to each member of the Supervisory Board in return for a receipt.

(5) The members of the Supervisory Board must exercise the care of a prudent and conscientious member of the Supervisory Board of a cooperative in their work. They shall maintain secrecy about all confidential information and secrets of the cooperative, as well as of the members and customers that have become known to them through their activities on the Supervisory Board, even after their departure.

(6) The members of the Supervisory Board may not receive any remuneration (bonus) based on the business results. On the other hand, in addition to the reimbursement of expenses, a Supervisory Board remuneration can be granted, on which the General As-

sembly decides.

§ 23 Joint meetings of the Board of Directors and the Supervisory Board

(1) The Board of Directors and the Supervisory Board decide on the following matters after joint consultation and through separate votes:

a) the acquisition, development, encumbrance and sale of land and land rights;

b) the conclusion or termination of contracts of particular importance insofar as the intended measure goes beyond the normal business operations of the cooperative;

c) the acquisition and disposal

d) the use of the reserves in accordance with Section 39 (2) of the Articles of Association;

e) the establishment of branches;

f) the granting and revocation of signing authority;

g) joining organizations and associations;

h) the distribution of a reimbursement (Section 43 (1) of the Articles of Association);

i) joining or terminating membership in a cooperative auditing association.

j) Board decisions that deviate from the business plan by 20%.

(2) Joint meetings are convened by the Chairman of the Supervisory Board or the deputy. Section 25 (4) Sentence 2 of the Articles of Association shall apply mutatis mutandis to the convening of meetings.

(3) The joint meetings shall be chaired by the Chairman of the Supervisory Board or the Deputy Chairman.

(4) The Board of Directors and the Supervisory Board shall constitute a quorum if more than half of the members of the Board of Directors and more than half of the members of the Supervisory Board are present.

(5) An application is rejected if it does not find a majority on both the Board of Directors and the Supervisory Board.

(6) Resolutions are to be recorded in a joint protocol for evidence purposes; the result of the split vote is to be recorded; in addition, Section 20 Paragraph 2 and Section 25 Paragraph 5 of the Articles of Association apply accordingly.

§ 24 Assembly and election

(1) The Supervisory Board consists of at least 3 natural persons who must be members of the cooperative and who are elected by the General Assembly. The Supervisory Board elects a Chairman and a Deputy from among its members.

(2) When electing the members of the Supervisory Board, every person entitled to vote must have the option of voting for each individual candidate. Section 33 (3) to (5) of the Articles of Association shall apply to the election. The number of investing members on the Supervisory Board may not exceed 25% of the members of the Supervisory Board.

(3) The term of office of the members of the Supervisory Board is 4 years. It begins at the close of the General Assembly that held the election and ends at the close of the General As-

sembly held for the fourth fiscal year after the election. The fiscal year in which the Supervisory Board member is elected is included in the calculation. Re-election is permitted.

(4) If members resign in the course of their term of office, the Supervisory Board consists only of the remaining members until the next ordinary General Assembly at which the replacement elections are made. An earlier replacement by an extraordinary General Assembly is only required if the number of Supervisory Board members falls below the legal minimum of three. Replacement elections take place for the remainder of the term of office of the resigned member.

(5) Members who have resigned from the Board of Directors can only be elected to the Supervisory Board once they have been approved for all of their work on the Board of Directors.

§ 25 Constitution, passing of resolutions

(1) The Supervisory Board elects a Chairman and a Deputy from among its members. Meetings of the Supervisory Board are called by its Chairman or, if they are unable to do so, by their

Deputy. As long as a Chairman and a Deputy have not been elected, the Supervisory Board meetings are convened by the oldest member of the Supervisory Board in terms of age.

(2) The Supervisory Board has a quorum if more than half of its members are present. It takes its resolutions with a majority of the validly cast votes. Abstentions and invalid votes are not counted. In the event of a tie, an application is deemed to be rejected; in the case of elections, the lot decides in this case. Section 33 of the Articles of Association applies accordingly.

(3) A resolution is also permitted without calling a meeting by means of a written vote, by fax, email or in a comparable manner if the Chairman of the Supervisory Board or their Deputy initiates such a resolution and no member of the Supervisory Board objects to this procedure.

(4) The meetings of the Supervisory Board should take place at least once a year. In addition, the Chairman shall convene a meeting, stating the agenda, as often as this appears necessary in the interests of the cooperative or if the Board of Directors or half of the members of the Supervisory Board

request it in writing, stating the purpose and the reasons. If this request is not complied with, the applicants can convene the Supervisory Board themselves, stating the facts.

(5) The resolutions of the Supervisory Board are to be recorded for evidence purposes. The minutes are to be numbered consecutively and signed by the Chairman of the Supervisory Board or their Deputy and the secretary. If matters of the cooperative are discussed which affect the interests of a member of the Supervisory Board, their spouse, parents, children and siblings or a person represented by them by law or by power of attorney, the respective member of the Supervisory Board may not take part in the deliberation. However, the member of the Supervisory Board must be heard before the resolution is passed.

(6) If matters of the cooperative are Cooperative which affect the interests of a member of the Supervisory Board, his/her spouse, parents, children and siblings or a person represented by him/her by operation of law or power of attorney, the Supervisory Board member concerned may not participate in the discussion. However, the Supervisory Board mem-

ber shall be heard before a resolution is adopted.

C. General Assembly

§ 26 Exercise of membership rights

(1) The members exercise their rights in the affairs of the cooperative in the General Assembly. They should exercise their rights personally. Each member has one vote, regardless of the number of business shares they have taken over.

(2) Incapacitated persons, persons with limited legal capacity, and legal entities exercise their voting rights through their legal representative, and partnerships through their partners authorized to represent them.

(3) Members, their legal representatives or shareholders authorized to represent them may be represented by proxy.

(4) Several heirs of a deceased member can only exercise the voting right through a joint proxy.

(5) A proxy cannot represent more than two members. Proxies may only be members of the cooperative,

spouses, cohabitants, parents, children or siblings of a member or must be in a corporate or employment relationship with the grantor of the proxy. Persons to whom the notification of the exclusion has been sent cannot be authorized.

(6) Legal or authorized representatives or authorized representatives entitled to vote must provide written evidence of their power of representation.

(7) No person may exercise the right to vote on his or her own behalf or on behalf of another person when a resolution is adopted as to whether he or she or the represented member is to be discharged or released from a liability, or whether the cooperative is to assert a claim against him or her or the represented member. However, it can be heard before the decision is taken.

(8) Investing members are excluded from voting.

§ 27 Deadline and venue

(1) The ordinary General Assembly must take place within the first 6 months after the end of the fiscal year.

(2) Extraordinary General Assemblies can be called as required.

(3) The General Assembly takes place at the headquarters of the cooperative, unless the Board of Directors and the Supervisory Board specify a different location.

§ 28 Convocation and venue

(1) The General Assembly is called by the Board.

(2) The members of the cooperative may request the convocation of an extraordinary General Assembly in a motion signed by them, stating the purpose and the reasons. This requires the signature of at least one tenth of the members.

(3) The General Assembly is called by direct notification of all members in text form. When calling the General Assembly, a period of at least 2 weeks must be observed, which must lie between the day of receipt of the convocation and the day of the General Assembly. The subjects of the resolution should be announced when the meeting is convened.

(4) The agenda is set by the body

that convenes the General Assembly. Members of the cooperative can, in an application signed by them, stating the reasons, demand that items for resolution be announced at the General Assembly. This requires the signature of at least one tenth of the members.

(5) No resolutions can be passed on the items whose discussion has not been announced at least one week before the General Assembly. This does not apply if all members have appeared or if there are resolutions about the management of the meeting or motions at an extraordinary general Assembly.

(6) Announcement is not required for applications and negotiations without a resolution.

(7) In the cases of Paragraphs 3 and 5, the corresponding notifications are deemed to have been received if they are posted two working days before the start of the period.

§ 29 Management of the assembly

The General Assembly is responsible for appointing the Chairman of the meeting.

§ 30 Objects of the resolution

In addition to the other matters set out in these Articles of Association, the General Assembly's resolution is in particular subject to:

a) Modifications to the Articles; Scope of the announcement of the audit report of the auditing association;

b) Approval of the annual financial statements, appropriation of the annual surplus or coverage of the annual deficit;

c) Discharge of the members of the Board of Directors and the Supervisory Board;

d) Election of the members of the Supervisory Board and determination of their remuneration;

e) Revocation of the appointment of members of the Supervisory Board;

f) Exclusion of members of the management and Supervisory Board from the cooperative;

g) the initiation of measures to pursue claims for recourse against members of the Board of Directors and

Supervisory Board in office;

h) the initiation of measures to pursue recourse claims against members of the Board of Directors and Supervisory Board who are in office;

i) Determination of the restrictions on granting credit in accordance with Section 49 GenG;

j) Mergers, splitting and change of form of the cooperative in accordance with the provisions of the Transformation Act;

k) Dissolution of the cooperative;

l) Continuation of the cooperative after resolved dissolution;

m) Determination of the entrance fee.

§ 31 Majority requirements

(1) The resolutions of the General Assembly require a simple majority of the validly cast votes, unless the law or these Articles of Association prescribe a larger majority.

(2) A majority of three quarters of the validly cast votes is particularly required in the following cases:

a) Modifications to the Articles;

b) Dissolution of the cooperative;

c) Continuation of the cooperative after resolved dissolution;

d) Merger, split and change of legal form of the cooperative according to the provisions of the Transformation Act;

e) Exclusion of members of the Board of Directors and Supervisory Board from the cooperative.

(3) A resolution on the amendment of Paragraphs 1 to 6 of § 2 of these Articles requires a majority of nine tenths of the members present at the General Assembly. The General Assembly is only at quorum with regard to this subject matter if at least three quarters of all members are present or represented.

(4) A decision on the merger, split and change of legal form, as well as the dissolution or continuation of the dissolved cooperative, as well as the change of the legal form, can only be made if an expert opinion of the auditing association to be requested by the Board in good time has been read out beforehand.

§ 32 Discharge

The actions of the Board of Directors and the Supervisory Board shall be voted on separately; neither the members of the Board of Directors nor the members of the Supervisory Board shall have voting rights in this respect.

§ 33 Votes and elections

(1) Votes and elections are carried out with a show of hands. They must be carried out secretly by ballot if the Board of Directors, the Supervisory Board or at least the fourth part of the votes validly cast when a resolution is passed so requests.

(2) In the event of a tie, an application is considered rejected; in this case, in elections, the lot decides.

(3) When determining the proportion of votes, only the votes cast are counted; Abstentions and invalid votes will not be considered.

(4) If an election is carried out with a show of hands, a special ballot is required for each mandate to be awarded. Whoever received the most votes is elected.

(5) If an election is carried out with ballot papers, each person entitled to vote has as many votes as there are mandates to be given. The eligible voters indicate on the ballot the applicants for whom they want to vote; an applicant can only have one vote. The applicants who receive the most votes are elected.

(6) The elected person must immediately explain to the cooperative whether they will accept the election.

§ 34 Right to Information

(1) Upon request, each member is to be given information on matters relating to the cooperative at the General Assembly, insofar as this is necessary for an appropriate assessment of the item on the agenda. The information is provided by the Board of Directors

(2) The Board of Directors may refuse to provide information if: or the Supervisory Board.

a) the provision of the information is, according to prudent business judgment, capable of inflicting a not inconsiderable disadvantage on the cooperative;

b) tax valuation comes into question or the amount of individual taxes are affected;

c) the provision of information would be punishable, or a statutory or contractual duty of confidentiality would be violated, or the request for information would affect the personal or business circumstances of a third party;

d) the reading out of documents would lead to an unreasonable extension of the General Assembly.

§ 35 Protocol

(1) The resolutions of the General Assembly are to be recorded for evidence purposes. The protocols are to be numbered consecutively.

The entry is not a prerequisite for the legal validity of the resolutions.

(2) The logging thereof must take place within two weeks at the latest. The place and date of the meeting, the name of the Chairman of the meeting, the type and result of the votes and the statement of the Chairman of the meeting on the adoption of the resolution shall be indicated. The entry must be signed by the Chairman of the General Assembly, the secre-

tary and the Board members who attended the General Assembly. The documents about the convocation are to be attached as annexes.

(3) If an amendment to the Articles of Association is decided that affects one of the items listed in Section 16 (2) No. 2 to 5, Paragraph 3 of the Cooperative Society Act or a significant change to the company's subject matter, the minutes are also a list of the members present or represented and of the members' representatives.

(4) The log is to be kept with the associated attachments. Every member of the cooperative is permitted to inspect the minutes.

Representatives of the auditing association can take part in an advisory capacity at every General Assembly.

§ 36 Associations' right to participate

Representative of the auditing association can take part in every General Assembly in an advisory capacity.

IV. Equity and liability

§ 37 Shares, credit and minimum capital

(1) The business share amounts to

EUR 1,200.00 (in words: one thousand two hundred Euros).

(2) The business share is due for payment immediately after entry in the list of members in the amount of EUR 1,200.00 (in words one thousand two hundred euros). Upon request, the Board of Directors can allow payments to be made in installments. The General Assembly decides on further payments. Additional shares can only be taken over if the compulsory share has been paid in full. They are due for payment immediately in full. Upon request, the Board of Directors can allow payments to be made in installments.

(3) The payments made on the share(s) plus other credits and less amounts written off to cover losses shall constitute a member's share capital.

(4) The cooperative has a minimum capital which cannot be fallen short of by repaying a dispute credit to resigned members or by cancelling individual shares. The minimum capital of the cooperative is the value of the cooperative's land and forests and a capital reserve of 20% of the value of the land and forests on the

last balance sheet date. The payment of the dispute credit is suspended in full or in part in relation to all dispute claims, as long as the payment falls below the minimum capital. Claims affected by a suspension will be served with priority, also in relation to one another.

(5) The credit balance may not be paid out by the cooperative, offset or used as collateral in the business operations of the cooperative as long as the member has not withdrawn. A deposit owed may not be waived; the member may not set it off against this.

(6) The assignment or pledging of the credit balance to third parties is inadmissible and invalid vis-à-vis the cooperative. The assignment or pledging of the credit balance to third parties is not permitted and the member may not offset the credit balance against their liabilities to the cooperative. Section 11 of the Articles of Association applies to the resignation credit.

§ 38 Statutory reserve

(1) The legal reserve serves only to cover balance sheet losses.

(2) It is formed by an annual allocation of at least 10 percent of the annual surplus plus any profit brought forward or minus any loss brought forward as long as the reserve does not reach ten percent of the balance sheet total.

(3) The General Assembly decides on the use of the legal reserve.

§ 39 Other revenue reserves

(1) In addition to the statutory reserve, another earnings reserve is set up to which at least 10 percent of the annual surplus plus any profit carryforward or minus any loss carryforward is to be allocated annually. Further earnings reserves can be formed.

(2) The Board of Directors and the Supervisory Board decide on the use of the earnings reserves in a joint meeting (Section 23 Paragraph 1 lit. d of the Articles of Association). The other revenue reserves are to be used to finance investments within the scope of §2 (2) and (3) of these Articles of Association, to the extent that the cooperative's financial resources permit.

(3) The right of the General Assembly

to also use the earnings reserves to cover losses remains unaffected.

§39a Capital reserve

A capital reserve can be formed in accordance with the legal requirements and the requirements of these Articles of Association.

§ 40 Obligation to make additional payments

The members are not obliged to make additional contributions.

V. Accounting

§ 41 Fiscal year

The fiscal year is the calendar year.

§ 42 Annual financial statements and management report

(1) The Board of Directors has to prepare the annual financial statements and the management report for the past fiscal year within 5 months of the end of the fiscal year, if required by law.

(2) The Board of Director's has to submit the annual financial statements and the management report immediately to the Supervisory Board and, with

its remarks, to the General Assembly for the adoption of the annual financial statements, if required by law.

(3) The annual financial statements, the management report, to the extent required by law, and the report of the Supervisory Board shall be made available for inspection by the members or otherwise brought to their attention at least one week before the General Assembly at the offices of the cooperative or at another location to be announced.

(4) The report of the Supervisory Board on its audit of the annual financial statements and the management report, to the extent required by law (Section 22 para. 2 of the Articles of Association), shall be submitted to the General Assembly.

§ 43 Reimbursement and use of the annual financial statements

(1) The Board of Directors and the Supervisory Boards decide on the form and distribution of a reimbursement before the balance sheet is drawn up. The members have a legal right to the reimbursement decided in this way.

(2) The General Assembly decides

on the appropriation of the annual surplus in compliance with the provisions of the law and these Articles of Association. The net profit for the year, insofar as it is not allocated to the reserves or used for other purposes, may be distributed to the members in proportion to their credit balances at the end of the previous fiscal year, insofar as this is permitted by § 2, paragraph 5 of these Articles of Association. The annual surplus due to the members is credited to the business credit until the business share is reached or supplemented by an annual deficit reduced business credit.

§ 44 Coverage of an annual deficit

(1) The General Assembly decides on how to cover an annual deficit.

(2) If an annual deficit is not carried forward to a new account or covered by drawing on other earnings reserves, it must be covered by the statutory reserve or by depreciation of the members' business assets or both at the same time.

(3) If the share capital is used to cover the net loss for the year, the share of the loss attributable to the individual

member shall be calculated on the basis of the ratio of the shares taken over by all members at the beginning of the financial year in which the net loss for the year arose.

VI. Final provisions

§ 45 Dissolution of the cooperative

After dissolution, the cooperative is liquidated. The distribution of the financial assets among the individuals takes place up to the total amount of the business assets determined in the first liquidation balance according to the ratio of the latter. The forests of the cooperative, as well as the soil on which these forests grow, are transferred to a non-governmental organization or to the state in which the forest areas were planted after the cooperative is dissolved. The preservation of the forest areas must be guaranteed by the non-governmental organization or the state. The General Assembly decides on the choice of

the non-governmental organization.

§ 46 Announcements

(1) The announcements of the cooperative are made by direct notifications of all members in text form. The annual financial statements and the documents to be disclosed in this context, as far as legally required, as well as other legally required publications, are only published in the electronic Federal Gazette under the name of the cooperative.

(2) In the announcement, the names of the persons from whom the announcement originates must be given.

§ 47 Place of jurisdiction

The place of jurisdiction for all disputes between the member and the cooperative arising from the membership is the local court or the regional court that is responsible for the registered office of the cooperative.