



Articles of Association Landgard eG

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Articles of Association for Landgard eG

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Articles of Association

for

Landgard eG

I.

Company name, registered office, purpose and object of the cooperative

Section 1 Company name, registered office, purpose and object of the cooperative

(1)

The name of the cooperative is:

Landgard eG

(2)

The registered office of the cooperative is

47638 Straelen

(3)

The purpose of the cooperative is the economic promotion and support of the members through joint business operations. This purpose may also be fulfilled by acquiring and holding participations in companies.

(4)

The object of the company is the acquisition and holding of participations in marketing companies in accordance with Section 1 (2) Law on the Acquisition and Business Co-operatives (hereinafter: "GenG"), as well as the cultivation of the cooperative idea. For this purpose, the cooperative may, in particular, hold information events and provide written information to members. The cooperative advises its members on horticultural, agricultural and floristic matters, especially in the field of flowers, plants and fruit and vegetables.

(5)

The cooperative shall be authorised to establish all facilities and take all measures necessary to achieve its economic purpose.

(6)

Business operations with non-members by the cooperative or its associated companies are permitted. Affiliated companies within the meaning of these Articles of Association are legal entities and partnerships in which the cooperative has a direct or indirect interest and which the cooperative uses to fulfil its funding mandate.

II.

Acquisition and termination of membership

Section 2 Conditions for acquiring membership

(1)

Membership may be acquired by

- a) natural persons
- b) partnerships
- c) legal persons under private or public law and their legal representatives,

who are gainfully employed as

- producers
- wholesalers/retailers
- service providers

who are active in the field of horticultural, agricultural and floristic products.

(2)

The Executive Board may exceptionally admit as members persons who do not fulfil these requirements.

(3)

The requirements of (1) do not apply to members of the cooperative's Executive Board and legal representatives of members, as well as the Kreisvereinigung der Gemüse-, Obst- und Gartenbauer e.V. Straelen.

Section 3 Acquisition of membership

(1)

Membership is acquired through

- (a) an unconditional declaration of accession to be signed by the accessor, which shall comply with the requirement of the Cooperative Act (GenG); and
- b) admission by the cooperative.

(2)

If the cooperative refuses accession, the applicant shall be informed thereof without delay and without giving reasons, returning his declaration of accession.

Section 4 Leaving the cooperative

A member shall resign by way of

- Termination (Section 5)
- Death (Section 6 [1])
- Dissolution or deletion of a partnership or a legal person (Section 6 [2])
- Exclusion (Sections 7-9)
- Transfer of the business assets (Section 11).

Section 5 Termination of membership

(1)

Each member has the right to terminate its membership at the end of a financial year.

(2)

Notice of termination must be given in writing and must reach the cooperative at least 12 months before the end of the financial year.

(3)

Insofar as a member participates with several shares without being obliged to do so by the Articles of Association or an agreement with the cooperative, he may terminate an additional participation with one or more of his further shares. Paragraphs 1 and 2 shall apply accordingly.

Section 6 Death of a member, dissolution or deletion of a partnership or legal entity as a member

(1)

Upon death, the member shall cease to be a member. His membership passes to the heir.

(2)

If a partnership or a legal entity is dissolved or ceases to exist, membership shall cease at the end of the financial year in which the dissolution or ceasing to exist took effect. In the event of universal succession, membership shall be continued until the end of the financial year by the universal successor.

Section 7 Reasons for the exclusion of a member

A member may be excluded if one of the following grounds for exclusion applies:

1. in the event of loss of civil rights;
2. in the event of cessation of payments, supervision, as well as initiation of insolvency proceedings;
3. if the cooperative has brought legal action against the member for an undisputed claim;
4. if the member – despite a written demand under threat of exclusion – fails to fulfil to a considerable extent the obligations stipulated in these Articles of Association or the supply contract and its terms of delivery and payment of the operating company of the cooperative responsible for him;
5. if the requirements for admission to the cooperative (Section 2) were not met or have ceased to apply;
6. if the member moves its business operations to a location outside the sales territory of the cooperative's debt collection agency responsible for it;
7. if the calendar yearly turnover which the member as a supplier himself and through his spouse, parents, children or siblings transacts with the operating company of the cooperative responsible for him is less than € 5,000.00 (excluding statutory turnover tax); the above provision shall not apply to a member who is already a member at the time of the entry into force of these Articles of Association or who becomes a member by way of a merging admission of his previous cooperative;
8. if the member acts in a significant way against the interests and concerns of the cooperative.

Section 8 Disqualification, consequences

(1)

The exclusion shall be effected by the Executive Board at the end of the financial year. Prior to this, the member shall be given the opportunity to comment on the intended exclusion.

The exclusion shall be notified to the member by the Executive Board without delay by registered letter, stating the facts on which the exclusion is based and the legal or statutory reason for the exclusion.

Members of the Executive Board and the Supervisory Board may only be excluded by resolution of the assembly of representatives.

(2)

From the time the letter is sent (Section 8 [1] Sentence 3), the expelled individual may no longer be a member of the Executive Board, Supervisory Board, Election Committee, representative or substitute representative, participate in the assembly of representatives, members' meetings or elections to the assembly of representatives, or continue to use the cooperative's facilities. The acceptance of the member's products, as well as the provisioning of the member, whether directly by the cooperative's debt collection company responsible for him or by another supplier for invoices of the latter, shall be discontinued as of the same date. On the other hand, the products/goods already purchased from or ordered by the member prior to the exclusion shall be delivered to and accepted by the cooperative's debt collection company responsible for him/her upon request.

(3)

From the time of exclusion, the excluded member shall lose the right to use the advertising marks of the cooperative's operating company responsible for him and to affix such marks. It shall tolerate the removal of the advertising signs and labelling and surrender the advertising and labelling materials in its possession, as well as technical means of production bearing such signs.

Section 9 Appeal against exclusion

(1)

An appeal is admissible against the exclusion decided by the Executive Board. The Supervisory Board shall decide on this.

(2)

The appeal shall be lodged with the Executive Board by registered letter within one month of the dispatch of the notice of exclusion.

(3)

The appeal decision of the Supervisory Board shall be final. The excluded individual is at liberty to take legal action against the exclusion. However, the ordinary legal process is excluded if the member has not made use of the possibility of appeal.

(4)

If the assembly of representatives has decided on the exclusion, the possibility of appeal does not exist.

Section 10 Disputes with the retired member

(1)

Any dispute with a retired member with the cooperative shall be based on its balance sheet. Any accumulated losses/losses carried forward shall be taken into account in proportion to the compulsory shares (Section 16 [1 and 2], Section 61 [2 and 3]). The share capital of the withdrawn member shall be paid out within 6 months after the withdrawal, provided that this does not fall below the minimum capital of the cooperative (Section 15 [5]). The withdrawing member shall have no claim to the reserves and other assets of the cooperative. The cooperative shall be entitled, in the event of a dispute, to set off the claims due to it against the member who has left the cooperative against their assets. The cooperative shall be liable for the member's assets as a pledge for any default, in particular, in insolvency proceedings against the member's assets.

(2)

If the assets of the cooperative, including the reserves and all credit balances, are not sufficient to cover the debts, the withdrawing member shall be obliged to pay to the cooperative a share of the deficit calculated in proportion to the shares held, but not exceeding the amount of the liability.

(3)

Paragraphs 1 and 2 shall apply mutatis mutandis to the dispute in the event of the termination

of individual shares.

Section 11 Transfer of the business assets

(1)

A member may, at any time, even in the course of the financial year, transfer its capital stock to another person by written contract and thereby withdraw from the cooperative without dispute, provided that the transferee becomes a member in its place. If the transferee is already a member, the transfer of the share capital is only permissible if his previous share capital – after addition of the transferor's share capital – does not exceed the total amount of the shares with which the transferee is or becomes a member.

(2)

The transfer of the business assets requires the consent of the cooperative.

III. Rights and duties of members

Section 12 Rights of the members

(1)

The legal relationship of the cooperative and the members shall be governed by the provisions of these Articles of Association and the provisions of the Cooperative Act (GenG).

(2)

The members of the cooperative have the right:

- a) to participate in the election to the assembly of representatives and to apply for the office of the representative within the framework of the provisions of these Articles of Association;
- b) to request information on the affairs of the cooperative as a representative in the assembly of representatives;
- c) to request, in text form, stating the purpose and the reasons, that items for resolution at an assembly of representatives be announced; this requires the requests of at least one tenth of the representatives or of the members of the cooperative; the members at whose request items for resolution are announced shall have the right to participate in this assembly of representatives to this extent; the right to speak and to submit requests with regard to these items shall be exercised by a member to be determined by the participating members;
- d) to request, in text form, the convening of an extraordinary assembly of representatives, stating the purpose and the reasons; this requires the requests of at least one tenth of the representatives or the members of the cooperative; the members at whose request an assembly of representatives is convened shall have the following rights the right to participate in the right to speak and to make motions shall be exercised by a member to be determined by the participating members;
- e) to participate in the profit for the year in accordance with the relevant provisions and resolutions;
- f) to request a copy of the annual financial statements, the statutory management report and the report of the Supervisory Board at their expense in due time before the adoption of the annual financial statements by the assembly of representatives;
- g) to request a copy of the minutes of a meeting of representatives;
- h) to view the list of members;
- i) to inspect, at any time, a list with the names and addresses of the elected representatives and substitute representatives or to be provided with a copy of the list.

Section 13 Duties of the members

The members have a duty:

- a) to comply with the provisions of the Articles of Association and the resolutions of the assembly of representatives adopted within the framework of the law and the Articles of Association;
- b) to make the payments on the share(s) in accordance with the provisions of Section 16 (4 and 5) of the Articles of Association or an agreement reached with the cooperative;
- c) to take over the number of compulsory shares stipulated in the Articles of Association (Section 16 [1 and 2]);
- d) to immediately notify any change of address, legal form and ownership/shareholding;
- e) to contribute to a rational operating procedure in the cooperative's operating company responsible for them, in particular, to comply with the respectively applicable terms of delivery and payment;
- f) to pay an admission fee upon admission, provided that such a fee has been set by the assembly of representatives.

Section 14 Place of performance, jurisdiction

(1)

The place of performance for the member's obligations shall be the registered office of the cooperative.

(2)

The relevant courts in Krefeld shall be responsible for disputes between the member and the cooperative arising from the membership relationship.

IV.

Equity and liability amount

Section 15 Amount of the share, inadmissibility of the assignment, or pledging of the business assets to third parties, minimum capital of the cooperative

(1)

The business share amounts to € 2,000.00 (in words: Euro two thousand).

(2)

The payments made on the share plus any other credits and less any amounts written off to

cover losses shall constitute a member's share capital.

(3)

As long as the member has not left the cooperative, the credit balance may not be paid out by the cooperative or pledged in the course of business; a payment owed may not be waived. The member cannot set off against a payment owed.

(4)

The assignment or pledging of the credit balance to third parties is inadmissible and invalid vis-à-vis the cooperative. Section 10 shall apply to the dispute assets.

(5)

The minimum capital of the cooperative shall be 70 % of the total amount of the credit balances at the end of the previous financial year. It may not be undercut by the payment of the liquidation balance of members who have resigned or have terminated individual shares. The payment of the dispute assets shall be suspended in whole or in part in proportion to all dispute claims, as long as the payment would cause the minimum capital to be undercut; claims from previous years affected by a suspension shall also be served with priority in relation to each other.

Section 16 Compulsory participation of the member, voluntary shares, deposit

(1)

Each member has a share in the company.

(2)

Members are obliged to participate with one additional share for each € 25,000.00 (in words: Euro twenty-five thousand) or part thereof in delivery turnover excluding turnover tax, but with a maximum of 75 shares (compulsory shares). The delivery turnover of the member with the cooperative or an enterprise affiliated with the cooperative in the last financial year preceding the invitation to purchase further shares shall be decisive.

If a member has not made any delivery turnover in the last financial year, the delivery turnover planned for the current financial year which the member plans to make with the cooperative or an enterprise affiliated with the cooperative shall be decisive. For joining members, the calculation shall apply accordingly. Voluntary shares already taken over shall be credited against compulsory shares to be taken over.

(3)

A member may participate with further shares in addition to the compulsory shares pursuant to (2) (voluntary shares). Participation with voluntary shares may not be permitted until all the

member's shares, except for the last new one taken, have been fully paid up. A member may participate in the cooperative with no more than 150 shares.

(4)

A compulsory share of € 200.00 (in words: two hundred euros) shall be paid up by the end of the financial year in which the registration in the list of members and the notification of membership have taken place. In the case of members who make delivery sales in this year, the payment shall be made by offsetting against claims of Landgard eG from these sales. In the case of members who have no (or insufficient) delivery turnover this year, the full amount or the amount remaining after offsetting shall be paid in by bank transfer. The assembly of representatives shall determine the amount and time of further payments into the compulsory share (Section 50 GenG). Voluntary shares shall be paid up with € 200.00 (in words: Euro two hundred) by the end of the financial year in which the registration or the notification of membership takes place, by offsetting or, in the absence of delivery turnover, by transfer.

(5)

Instead of cash, payments owed on the share can also be fulfilled in full by assignment of claims from delivery or loans of the member against affiliated companies of the cooperative.

(6)

If the capital stock has been reduced by depreciation of losses (Section 61 [2 and 3]), it shall be replenished by the addition of subsequent profits and interest until the capital stock has been paid up in full.

(7)

The credit balance on voluntary shares shall bear interest at a rate of at least 2 percentage points per annum. Upon joint proposal of the Executive Board and the Supervisory Board, the assembly of representatives may resolve a higher interest rate. Interest shall be calculated on the basis of the balance of the voluntary shares on 31.12. of the previous financial year. Interest shall be paid no later than six months after the end of the financial year, but not before the adoption of the annual accounts. Interest shall be credited to the credit balance on compulsory shares and voluntary shares up to the full payment of the shares. If the annual accounts of the cooperative show a net loss for a financial year or a loss carried forward which is not covered in whole or in part by the revenue reserves, a net profit for the year and a profit carried forward, interest may not be paid on the amount not covered for that financial year.

Section 17 Limited obligation to make additional contributions

The members' obligation to make additional contributions shall be limited to the amount of the liability. For the first share there is a liability amount of € 2,000.00 (in words: Euro two thousand). No liability sum is associated with the other shares.

Section 18 Legal reserve

(1)

The legal reserve serves to cover accumulated losses.

(2)

It is formed by an annual allocation of at least 10 % of the annual surplus plus any profit carried forward or less any loss carried forward, as long as a reserve does not reach 20 % of the balance sheet total.

(3)

The assembly of representatives shall decide on the use of the legal reserve.

(4)

Members who leave before the cooperative is dissolved shall not be entitled to the statutory reserve.

Section 19 Other revenue reserve, capital reserve

(1)

In addition to the legal reserve, another revenue reserve shall be formed, to which at least 10 % of the net profit for the year plus any profit carried forward and less any loss carried forward shall be allocated annually. Further revenue reserves can be formed. The Executive Board shall decide on their use.

(2)

If admission fees, penalties or comparable contributions are levied, they shall be allocated to a capital reserve to be established. The Executive Board shall decide on their use.

(3)

Members who leave before the cooperative is dissolved are not entitled to the other revenue reserve and capital reserve.

V.

Executive bodies of the cooperative

Section 20 Executive bodies of the cooperative

The executive bodies of the cooperative are:

1. the Executive Board
2. the Supervisory Board
3. the assembly of representatives

1. The Executive Board

Section 21 Composition, appointment, dismissal, employment relationship

(1)

The Executive Board shall consist of at least two full-time members of the Executive Board – hereinafter referred to as Board Members. The Board Members must be members of the cooperative.

(2)

The Board Members shall be appointed and dismissed by the Supervisory Board; it may appoint a Chairman or a Spokesman of the Executive Board.

(3)

The Supervisory Board is responsible for the conclusion, amendment and termination of service contracts with Board Members, as well as for the conclusion of termination agreements. The declarations of the Supervisory Board shall be made by its Chairman or, in his absence, by his Deputy.

(4)

The termination of the service contract of a Board Member shall result in the termination of the position as a member of the executive body.

(5)

The Board Members shall retire from the Executive Board at the latest at the end of the calendar year in which they reach the age of 67.

By resolution of the Supervisory Board, persons who have reached or exceeded this age limit may be appointed to the Executive Board or remain in office beyond the age limit if there are special reasons and this is in the interest of the cooperative.

(6)

If Board Members resign, they may not be elected to the Supervisory Board before the discharge has been granted.

Section 22 Management of the cooperative

(1)

The Executive Board shall manage the cooperative on its own responsibility. It shall conduct the business of the cooperative in accordance with the provisions of the law, in particular, the Cooperative Act (GenG), the Articles of Association and the Rules of Procedure for the Executive Board.

(2)

The Board Members are jointly appointed to management.

Section 23 Formation of will

(1)

The decisions of the Executive Board shall, in principle, require the adoption of a resolution. Further details are set out in the rules of procedure for the Executive Board.

(2)

The Executive Board shall constitute a quorum if more than half of its members participate in the adoption of resolutions, unless mandatory legal provisions provide otherwise. The rules of procedure for the Executive Board may further provide that resolutions require the participation of certain members of the Executive Board or unanimity.

Resolutions of the Executive Board shall be adopted by majority vote; in the event of a tie, a motion shall be deemed rejected. Members of the Executive Board who abstain from voting or who are not allowed to participate in the vote pursuant to (4) shall be deemed not to be present for the purpose of calculating the majority; however, this provision shall not affect the quorum.

(3)

Resolutions of the Executive Board on matters that go beyond the regular course of business shall be recorded for evidentiary purposes, and the minutes shall be signed by the members of the Executive Board involved in the resolution. Board resolutions adopted by circular letter due to urgency shall only be binding if no Board Member requests that they be dealt with in a Board meeting. They shall be recorded in the minutes of the next Board meeting at the latest. Board meetings may also be held without physical presence at a meeting place by means of electronic communication (virtual meeting) if no Board Member objects to this procedure. Under the same conditions, a Board meeting may be held both by physical presence at the place of the meeting and without physical presence at that place by means of electronic communication (hybrid meeting).

A resolution may be adopted in writing or by electronic communication without convening a meeting if no Board Member objects to this procedure.

(4)

If business matters of the cooperative are discussed, a Board Member may neither participate in the discussion nor in the passing of a resolution if these matters affect either the interests of this Board Member or of a person or company close to him or of a person or company represented by the Board Member by virtue of law or power of attorney. However, the Board

Member shall be heard before a resolution is passed.

(5)

Each Board Member has the right to request that a meeting be convened.

Section 24 Representation of the cooperative

(1)

The Executive Board shall represent the cooperative in and out of court. Two members of the Executive Board may sign and make legally binding declarations on behalf of the cooperative. The cooperative may also be legally represented by a Board Member together with an authorised signatory. The Board Members are entitled to represent the cooperative and third parties in legal transactions among themselves at the same time (partial exemption from Section 181 German Civil Code [BGB]).

(2)

The provisions on the granting of powers of attorney shall remain unaffected. Further details on the legal representation shall be regulated by the rules of procedure for the Executive Board to be adopted in accordance with these Articles of Association.

Section 25 Tasks and duties of the Executive Board

The Executive Board is obliged

1. to conduct the business of the cooperative properly in accordance with the cooperative's objectives;
2. to draw up rules of procedure in agreement with the Supervisory Board, which shall require the unanimous adoption of a resolution by the Executive Board and shall be signed by all members of the Executive Board;
3. to plan and implement the personnel, organisational and material measures necessary for proper business operations in a timely manner;
4. to ensure proper bookkeeping and appropriate accounting;
5. to decide on the admission of the acquisition of memberships and on the participation with further shares, and to keep the list of members in accordance with the Cooperative Act (GenG), as well as to take care of the registrations and notifications incumbent upon him/her according to the Cooperative Act (GenG);
6. to prepare the annual financial statements and the management report within five months of the end of the financial year at the latest – insofar as this is required by law – and submit them without delay to the Supervisory Board and, together with its report, to the assembly of representatives for adoption of the annual financial statements;
7. to notify the statutory auditing association in good time of the convening, date, agenda and

- motions for the assembly of representatives;
8. to remedy any deficiencies identified in the audit report and to report thereon to the statutory auditors' association;
 9. to inform the Supervisory Board at least quarterly, or immediately upon request or for important reasons, about the business developments and corporate planning of the cooperative and its associated companies – in particular, with regard to any risks;

Section 26 Duty of care and responsibility

(1)

The Board Members shall exercise the due care and diligence of a prudent and conscientious manager of a cooperative in the conduct of their business. They shall maintain secrecy with regard to confidential information or business and trade secrets which have become known to them through their activities on the Executive Board.

(2)

Board Members who violate their duties shall be jointly and severally liable to compensate the cooperative for any resulting damage.

Section 27 Attendance at meetings of the Supervisory Board

(1)

Board Members shall be entitled to attend the meetings of the Supervisory Board unless otherwise directed by the Chairman of the Supervisory Board. At the meetings of the Supervisory Board, the Executive Board shall provide the necessary information on business matters.

(2)

Board Members do not have the right to vote on resolutions of the Supervisory Board.

Section 28 Resignation from office

Board Members may resign from office within the term of appointment only for good cause. This must be announced in sufficient time to enable the cooperative to make other arrangements for the conduct of its business. A Board Member who violates this shall be liable to the cooperative for the resulting damage.

Section 29 Deputy member of the Executive Board

(1)

In the event of the resignation or the permanent or, by its nature, not merely temporary prevention of a Board Member, the Supervisory Board shall immediately elect a deputy Board Member from among its members for a period to be determined if the minimum number of two Board Members is no longer reached due to the resignation or prevention. The deputy Board Member shall assume the rights and duties of a Board Member until the Supervisory Board has appointed a new Board Member; this shall be done without delay.

(2)

The registration of the deputy Board Member shall be made immediately with the registration court responsible for the cooperative.

Section 30 Consent to loans

Loans to Board Members or persons or companies within the meaning of Section 23 (4) require the approval of the Supervisory Board.

2. The Supervisory Board**Section 31 Composition and election of the Supervisory Board**

(1)

The Supervisory Board consists of 12 members, namely six members elected by the assembly of representatives and six members whose election is governed by the Co-Determination Act. The members of the Supervisory Board elected by the assembly of representatives may not include more than one-third of the members who do not fulfil the admission requirements of Section 2 (1) for membership in the cooperative.

(2)

Persons who are Board Members or who are personally or economically related to a Board Member, in particular, spouses, parents, children or siblings of Board Members, may not be

elected to the Supervisory Board. Likewise, anyone who has reached the age of 67 is not eligible for election.

(3)

At the same time as the members of the Supervisory Board are appointed, at least one and no more than six substitute members in total shall be appointed to become members of the Supervisory Board if a Supervisory Board member resigns before the end of his or her term of office. The shareholders shall elect the substitute members in such a way that at the same meeting of representatives substitute members shall be elected to replace a retiring member for the remainder of the latter's term of office in descending order according to the number of votes obtained.

Section 32 Term of office

(1)

The election of the members of the Supervisory Board shall be for 3 years. The term of office shall begin at the close of the assembly of representatives which held the election and shall end at the close of assembly of representatives held for the 3rd financial year after the election. The financial year in which the Supervisory Board member is elected shall be included in this calculation. One-third of the members of the Supervisory Board elected by the assembly of representatives shall retire each year; if the number of members is not divisible by three, the lower number shall retire. In the first two years, the decision is made by lot, later by the term of office. In the event of extensions of the Supervisory Board, the longest-serving third of the existing members of the Supervisory Board shall retire; of the new members, one third shall also retire by lot until a rotation results; then the term of office shall also decide for these members.

(2)

Re-election shall be permitted. Section 31 shall be observed.

(3)

Members of the Supervisory Board for whom the conditions of Section 31 (2) Sentence 1 arise after election are obliged to resign from office immediately.

Section 33 Election of substitutes

(1) (deleted)

(2) (deleted)

(3)

Members of the Supervisory Board may resign from office within the term of office only for good cause. This must be announced in sufficient time to enable the cooperative to make other arrangements for the conduct of its business. A member of the Supervisory Board who violates this provision shall be liable to the cooperative for the resulting damage.

Section 34 Honorary office, reimbursement of expenses

(1)

The members of the Supervisory Board exercise their office in an honorary capacity. They may not receive remuneration based on the business result (bonus).

(2)

Expenses (e.g. attendance fees, travel costs and out-of-pocket expenses) of the members of the Supervisory Board may be reimbursed. A lump-sum reimbursement of these expenses shall be decided by the assembly of representatives. Remuneration in excess of this shall require a resolution of the assembly of representatives.

Section 35 Election of the Chairperson and Deputy Chairperson

(1)

The Supervisory Board shall elect a Chairman, a Deputy Chairman and a further Deputy Chairman from among its members in accordance with section 27 Co-Determination Act. The election shall take place following the assembly of representatives at which the Supervisory Board members representing the shareholders have been elected, in a meeting held without special invitation. The term of office of the Chairman and his deputies shall, unless the Supervisory Board decides otherwise in accordance with paragraph (3) below, continue up to and including the next meeting of representatives at which members of the Supervisory Board representing the shareholders are elected.

(2)

A Deputy Chairman shall have the same rights as the Chairman in all cases in which he acts as Deputy Chairman if the Chairman is prevented from doing so, but with the exception of the second vote to which the Chairman is entitled under the Co-determination Act.

(3)

A revocation of the election of the Chairperson or his/her deputies is only permissible for good cause. Good cause shall also be deemed to exist if the Chairperson or a deputy is permanently prevented from exercising his or her office. For the revocation of the election of the Chairperson and the deputy elected in accordance with the Co-Determination Act the provisions concerning their election shall apply accordingly. If the Chairman or a Deputy Chairman retires before the

end of his term of office, the Supervisory Board shall immediately hold a new election for the remaining term of office of the retiring member.

Section 36 Convening of meetings

(1)

The Chairman of the Supervisory Board or, if he is prevented from doing so, his deputy shall convene the meeting, stating the items to be discussed. As long as a Chairman and a Deputy Chairman have not been elected, the meetings of the Supervisory Board shall be convened by the Supervisory Board member who has been in office the longest. In the event of a new election of the entire Supervisory Board, the first meeting of the Supervisory Board shall be convened by the Executive Board.

(2)

The meetings of the Supervisory Board shall be held at least quarterly. In addition, a meeting shall be convened, stating the items to be discussed, as often as this appears necessary in the interest of the cooperative, as well as if the Executive Board 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 may convene the Supervisory Board themselves, stating the facts of the case.

Section 37 Resolutions

(1)

The Supervisory Board shall only have a quorum if at least half of the members of which it must consist in total participate in the passing of resolutions. Section 108 (2) Sentence 4 German Stock Corporation Act (AktG) shall apply accordingly.

(2)

Supervisory Board meetings may also be held without physical presence at a meeting location by means of electronic communication (virtual meeting) if no member of the Supervisory Board objects to this procedure. Under the same conditions, a Supervisory Board meeting may be held both by physical presence at the place of the meeting and without physical presence at that place by means of electronic communication (hybrid meeting). A resolution may be adopted without convening a meeting in writing or by electronic communication if the Chairman of the Supervisory Board or, if he is prevented from doing so, his Deputy Chairman initiates

such a resolution, and no member of the Supervisory Board objects to this procedure.

(3)

Resolutions of the Supervisory Board shall be adopted by majority vote. In the event of a tie, any member of the Supervisory Board shall have the right to demand a new vote on the same item. If this also results in a tie, the Chairman of the Supervisory Board shall be entitled to two votes.

(4)

The resolutions of the Supervisory Board and the results of its checks shall be recorded for evidentiary purposes and the minutes shall be signed by the members of the Supervisory Board involved.

(5)

If business matters of the cooperative are discussed, a member of the Supervisory Board may neither participate in the discussion nor in the passing of a resolution if these matters affect either the interests of this member of the Supervisory Board or of a person or company close to him or of a person or company represented by the member of the Supervisory Board by virtue of law or power of attorney. However, the Supervisory Board member shall be heard before the resolution is adopted.

(6)

Resolutions of the Supervisory Board shall be carried out by the Chairman or, if he is prevented from doing so, by his Deputy Chairman / Chairmen.

Section 38 Consent to loans

Loans to members of the Supervisory Board or persons or companies within the meaning of Section 37 (5) shall require the approval of the Executive Board and the majority of the Supervisory Board.

Section 39 Duties of the Supervisory Board, rules of procedure

(1)

The Supervisory Board shall supervise the Executive Board in its management of the cooperative and, for this purpose, inform itself about the affairs of the cooperative. It may, at any time, request reports from the Executive Board and may itself – or through individual members to be determined by it – inspect and examine the books and records of the cooperative, as well as the cash balance, other stocks and all other assets and liabilities of the cooperative. An individual member of the Supervisory Board may also request information, but only to the Supervisory Board as a whole.

(2)

Supervisory Board members may not have their duties performed by other persons.

(3)

Details on the fulfilment of the duties incumbent on the Supervisory Board are regulated by the rules of procedure. It shall be drawn up by the Supervisory Board after hearing the Executive Board. The rules of procedure shall be handed over to the members of the Supervisory Board against receipt.

Section 40 Formation of committees

In order to fulfil its legal and statutory duties, the Supervisory Board may form committees from among its members with a simple majority and avail itself of the assistance of experts at the cooperative's expense. If the Supervisory Board forms committees, it shall determine whether they have advisory or decision-making powers; it shall also determine the number of committee members. The election of the committee members shall be regulated in the rules of procedure of the Supervisory Board. Section 31 (3) Co-Determination Act (MitbestG) shall remain unaffected. The Supervisory Board shall form a Personnel Committee and an Audit Committee. The Chairman of the Supervisory Board shall not chair the Audit Committee. The Chairman of the Audit Committee shall have special knowledge and experience in the application of accounting principles and internal control procedures.

A committee with decision-making power must consist of at least three persons. A committee shall constitute a quorum if more than half of its members – but not less than three in the case of decisions on loans to governing bodies – are present. For the adoption of resolutions, Sections 35 to 37 shall apply accordingly.

Section 41 Further duties of the Supervisory Board

The Supervisory Board is obliged

1. to represent the cooperative vis-à-vis the members of the Executive Board in and out of court;
2. to appoint and dismiss the members of the Executive Board; to employ and dismiss the members of the Executive Board;
3. to determine the voting behaviour of the cooperative at its affiliated companies on election proposals, elections, appointments and dismissals of Supervisory Board members there who must be members of the cooperative.

4. to appoint and remove persons to advisory boards of associated companies of the cooperative, insofar as the Articles of Association of the associated companies provide for this;
5. to examine the annual financial statements, the management report – insofar as this is required by law – and the proposal of the Executive Board for the appropriation of a net profit for the year or for the coverage of a net loss for the year, to comment thereon and to report thereon to the assembly of representatives prior to the adoption of the annual financial statements;
6. to be present at the final discussions following the audit of the cooperative, to discuss the written audit report with the Executive Board without delay after receipt thereof and to declare any significant findings and objections to the audit at the next assembly of representatives. The summary of the audit result contained in the audit report, as well as those parts of the audit report which the auditing association requests, to be read out verbatim shall be read out at the assembly of representatives;
7. to ensure that the deficiencies objected to in the audit report are remedied by the Executive Board;
8. to decide on loans to a member of the Executive Board or Supervisory Board, as well as to a person or company closely associated with him or to a person or company represented by him by operation of law or power of attorney;
9. to decide on the appeal of an excluded member against its exclusion, unless the assembly of representatives is responsible for the exclusion.
10. to determine the time and place of the assembly of representatives.

Section 42 Special duties and rights of the Chairperson and the Supervisory Board and its Deputy

The Chairman of the Supervisory Board, or in his absence his Deputy Chairman, shall be entitled and obliged,

1. to convene and chair the meetings of the Supervisory Board, joint meetings of the Executive Board and the Supervisory Board and the assembly of representatives of the cooperative;
2. to be present at the statutory audit on a temporary basis as required;
3. to make the declarations of the Supervisory Board in accordance with the provisions of

Section 21 (3).

4. To implement resolutions of the Supervisory Board.

Section 43 Duty of care and responsibility

(1)

The members of the Supervisory Board shall exercise the due care and diligence of a prudent and conscientious member of the Supervisory Board of a cooperative in their activities in analogous application of Section 26 (1) Sentence 1. They shall maintain secrecy about confidential information or business and trade secrets that have become known to them through their activities on the Supervisory Board.

(2)

Members of the Supervisory Board who violate their duties shall be jointly and severally liable to compensate the cooperative for any resulting damage.

Section 44 Impeachment

A member of the Supervisory Board elected by the assembly of representatives may be removed from office before the expiry of his term of office by resolution of the assembly of representatives, but such resolution shall require a majority of three quarters of the votes cast at the assembly of representatives.

(45) (deleted)

3. The assembly of representatives

Section 46 Exercise of membership rights

The members exercise their rights in the affairs of the cooperative in the assembly of representatives as long as the number of members exceeds 1,500. The general assembly shall be convened without delay to pass a resolution on the abolition of the assembly of representatives if this is requested in text form by at least one tenth of the members.

Section 46a Eligibility

(1)

Representatives may only be natural persons of unlimited legal capacity who are members of the cooperative and do not belong to the Executive Board or Supervisory Board. If a member of the cooperative is a legal entity or partnership, natural persons who are authorised to legally represent them may be elected as representatives.

(2)

A member may not be elected as a representative if he/she has been expelled from the cooperative (Section 8 [2]). If a legal entity or partnership is excluded, the natural persons authorised to represent it cannot be elected as representatives.

Section 46b Election cycle and number of representatives

(1)

The election for the representatives' assembly takes place every 4 years. One representative shall be elected for every 25 members in accordance with the election regulations to be drawn up pursuant to Section 46 d (2). The number of members remaining in the cooperative at the end of the financial year preceding the election shall be decisive. In addition, at least 5 substitute representatives shall be elected in the order of their succession; the Election Committee shall determine the specific number of substitute representatives.

(2)

An early election to the assembly of representatives shall take place if the number of representatives, taking into account substitute representatives who have moved up, falls below the statutory minimum of 50.

Section 46c Active right to vote

(1)

Every member entered in the list of members at the time of the announcement of the election shall be entitled to vote. Excluded members have no right to vote (Section 8 [2]).

(2)

Each member shall have one vote.

(3)

Incapacitated persons, persons with limited legal capacity, as well as legal entities, exercise their right to vote through their legal representative, partnerships through their partners authorised to represent them.

(4)

Members, their legal representatives or shareholders authorised to represent them may be represented by proxy. Several heirs of a deceased member (Section 6 [1]) may only exercise the right to vote through a joint proxy. A proxy cannot represent more than 2 members. Proxies may only be members of the cooperatives, spouses, parents, children or siblings of the member or must be in a partnership or employment contract with the party granting said proxy. Persons to whom the notice of exclusion is sent (Section 8 [2]) cannot be authorised.

(5)

Legal or authorised representatives or proxies entitled to vote must prove their power of representation in writing at the request of the Election Committee.

Section 46d Election procedure

(1)

The representatives, as well as the substitute representatives, shall be elected by universal, direct, equal and secret ballot.

(2)

Details of the election procedure, including the determination of the election result, shall be governed by the election regulations issued by the Executive Board and the Supervisory Board on the basis of concurring resolutions. The election regulations require the approval of the general assembly/assembly of representatives.

(3)

If a representative ceases to be a member before the expiry of his term of office, a substitute representative shall take his place; his term of office shall expire at the latest at the expiry of the term of office of the representative.

(4)

A list with the names as well as the addresses, telephone numbers or e-mail addresses of the elected representatives and substitute representatives shall be made available for inspection by the members for at least two weeks at the offices of the cooperative or shall be made accessible in the non-public area of the cooperative's website until the end of the term of office of the representatives. The display or accessibility on the internet shall be announced in a public gazette. The period for display or making available shall commence with the publication. Any member may at any time request a copy of the list of representatives and substitute representatives; reference shall be made to this in the notice.

Section 46e Term of office, beginning and end of the office of representative

(1)

The representatives shall be elected for 4 years in accordance with (2). Re-election shall be permitted.

(2)

The office of the representative shall commence with the acceptance of the election, but not earlier than the time when at least 50 representatives have accepted the election. There is no obligation to accept election as a representative. However, the elected person shall declare his or her acceptance of the election without delay. If he does not reject the election within a period of 2 weeks to be set to him upon notification of his election, the election shall be deemed to have been accepted by him.

(3)

The office of the representative shall end if at least 50 representatives have accepted the election after a new election has been held, but at the latest at the end of the assembly of representatives which resolves on the discharge of the Executive Board and the Supervisory Board for the 4th financial year, whereby the financial year in which the representatives were elected shall not be counted. The office of the representative shall end prematurely if the

representative leaves the cooperative or is excluded, accepts election to the Executive Board or Supervisory Board, resigns from office, dies, becomes legally incapacitated or restricted in his or her legal capacity.

(4)

The office of the representative shall also end if it is based on the fact that the representative is authorised to legally represent a member in the legal form of a legal entity or partnership and this power of representation has expired or with the exclusion of this legal entity or partnership from the cooperative. If there is a dispute about the expiry of the power of representation, the written declaration of the legal person or partnership that the power of representation has expired shall be decisive.

(5)

As proof of the power of representation, each representative shall receive an identity card after acceptance of the election, the validity of which shall expire upon termination of his/her office.

Section 47 Time limit and venue

(1)

The ordinary meeting of representatives shall take place within 6 months after the end of the financial year.

(2)

Extraordinary assemblies of representatives may be convened at any time if necessary. They must be convened if either the Supervisory Board or the Executive Board or, in accordance with Section 12 (2) lit. d), at least one tenth of the members or representatives so request.

(3)

The assembly of representatives shall be held at the registered office of the cooperative, unless the Supervisory Board determines another meeting place and/or another form of the meeting (Section 55a).

Section 48 Convening and agenda

(1)

The assembly of representatives shall be convened by the Supervisory Board. The rights of the Executive Board according to Section 44 (1) Cooperative Act (GenG) shall remain unaffected.

(2)

The convocation of the assembly of representatives must contain the company name, the registered office of the cooperative as well as the time and place of the meeting. It shall be effected by direct notification of all representatives in text form or by one-time publication in the cooperative's announcement executive body (Section 63), observing a period of at least 14 days, which must lie between the day of receipt or publication of the convening notice and the day of the assembly of representatives. Section 55c shall remain unaffected.

(3)

When convening the meeting, the agenda, the form of the meeting, in the case of Section 55a (3) additionally the form of the discussion phase and in the case of Section 55a (1 to 3) the necessary information on the use of written or electronic communication shall be announced. These shall be determined by the convening party. The agenda shall be made known to all members by publication in the cooperative's announcement executive body (Section 63) or on the internet at the cooperative's address or by direct written notification.

(4)

The members or representatives may request in text form, stating the purpose and the reasons, that items for resolution be announced at the assembly of representatives. This requires applications from at least one tenth of the members or representatives. Members upon whose request items for resolution are announced may participate in this meeting to this extent; the right to speak and to make motions with regard to these items shall be exercised by a member to be determined by the participating members. The Executive Board and/or the Supervisory Board shall be entitled to nominate items for discussion on the agenda and to submit motions.

(5)

Resolutions may not be passed on items whose discussion has not been announced in good time so that at least one week lies between the receipt of the announcement (8) and the date of the assembly of representatives; this does not apply, however, to resolutions on the conduct of the meeting and on motions to convene an extraordinary assembly of representatives. Proposals for the agenda which, in accordance with (4), are only received after the convening of the assembly of representatives shall be notified to the members in writing; they must be received by them at least 7 days before the date of the meeting, whereby this date shall not

be counted. Resolutions may not be passed on items for discussion which have not been announced in due time, except for the motion to convene an extraordinary meeting of representatives.

(6)

No announcement shall be required for motions and for discussions which are intended only for discussion and not for the adoption of resolutions.

(7)

Motions concerning the proceedings of the assembly of representatives may be submitted by any representative present at the assembly of representatives; the assembly of representatives shall decide on such motions by a simple majority of votes.

(8)

In the cases referred to in (2 and 5), the relevant notices shall be deemed to have been received if they have been posted two days before the beginning of the period.

Section 49 Chair of the meeting

(1)

The assembly of representatives shall be chaired by the Chairman of the Supervisory Board or one of his deputies (Chairman of the meeting).

(2)

By resolution of the assembly of representatives, the Chairmanship may be assigned to another member of the Supervisory Board, the Executive Board, a member of the assembly of representatives or a representative of the auditing association.

(3)

The Chairman of the meeting shall appoint the secretary and, if necessary, the vote counters.

Section 50 Voting rights

(1)

Each representative shall have one vote. He may not be represented by proxy.

(2)

Representatives are not bound by instructions from their voters.

(3)

No person may exercise his voting right when a resolution is passed as to whether he is to be discharged or released from a liability, or whether the cooperative is to assert a claim against him. However, it shall be heard before a decision is taken.

(4)

The members of the Executive Board and Supervisory Board shall participate in the assembly of representatives without voting rights. However, they may speak and make motions at any time.

Section 51 Right to information

(1)

Each representative shall be provided with information on the affairs of the cooperative by the Executive Board or the Supervisory Board upon request at the assembly of representatives, insofar as this is necessary for the proper assessment of the item on the agenda.

(2)

The information must comply with the principles of conscientious and faithful accountability.

(3)

The disclosure of information may be refused insofar as

- a) the provision of the information is, according to reasonable commercial judgement, likely to cause a not inconsiderable disadvantage to the cooperative;
- b) the issues of tax valuations
or the amount of individual taxes
are concerned;
- c) the provision of the information would be punishable or a legal, statutory or contractual duty of confidentiality would be violated;
- d) the request for information concerns the personal or business circumstances of a third party;
- e) it is a matter of contractual employment agreements with members of the Executive Board or employees of the cooperative;
- f) the reading of documents would lead to an unreasonable prolongation of the meeting of representatives;
- g) the question relates to the cooperative's terms and conditions of purchase and/or sale and their basis of calculation.

Section 52 Voting and elections

(1)

All voting and elections shall be conducted openly at the assembly of representatives. Votes or elections must be held by secret ballot if the Executive Board, the Supervisory Board or representatives so request by at least one fourth of the votes validly cast in a resolution on the matter. The Executive Board or the Supervisory Board may determine prior to the in-person meeting that votes and elections in the meeting shall be conducted by way of electronic communication.

(2)

Resolutions of the assembly of representatives shall be passed by a simple majority of the votes cast, unless a larger majority is prescribed by law or by the Articles of Association. In the event of a tie, a motion shall be deemed rejected, subject to (4).

(3)

Only valid votes cast shall be counted in determining the proportions of votes; abstentions and invalid votes shall not be counted. In the event of a tie, a motion shall be deemed to have been rejected; in such cases, elections shall be decided by drawing lots.

(4)

Each Supervisory Board mandate to be awarded shall be voted on separately. The person who has received more than half of the valid votes cast shall be elected. If no candidate receives the required number of votes in the first ballot, a run-off election shall be held between the two candidates who received the most votes. In this case, the candidate who receives the most votes shall be elected; in the event of an equal number of votes, the decision shall be made by drawing lots by the chairman of the meeting.

(5)

The elected person shall declare to the cooperative immediately after the election and at the latest before the end of the assembly of representatives whether he/she accepts the election.

Section 53 Relief

(1)

A representative who is to be discharged or released from an obligation by the passing of a resolution or with whom a legal transaction is to be concluded shall have no voting rights in this respect. The amendment or cancellation of a legal transaction is equivalent to the conclusion of a legal transaction.

(2)

The relief of the Executive Board and the Supervisory Board shall be voted on separately.

Section 54 Minutes of the meeting

(1)

The resolutions of the assembly of representatives shall be recorded for evidentiary purposes and signed by the Chairman of the meeting, the secretary and the Board Members who participated in the assembly of representatives.

(2)

The minutes, which shall be made at the latest within 2 weeks after the conclusion of the meeting of representatives, shall state the place and day or period of the meeting, the form of the meeting and, in the case of the meeting in the extended procedure (Section 55a [3]), additionally the form of the discussion phase, the name of the Chairman of the meeting, as well as the type and result of the votes and the findings of the Chairman of the meeting on the passing of the resolution. In the case of meetings pursuant to Section 55a (1) or in the case of a virtual discussion phase within the framework of a meeting in the stretched procedure pursuant to Section 55a (3), the place of the meeting shall be the registered office of the cooperative. It shall be accompanied by the supporting documents for the convocation.

(3)

In the cases of Section 47 (3) Cooperative Act (GenG), a list of the representatives present shall be attached to the minutes.

(4)

The minutes with the appendices thereto shall be kept. Any member of the cooperative shall be permitted to inspect the documents.

(5)

In addition, in the case of Section 55a of the Articles of Association, a list of the representatives participating in the adoption of the resolution shall be attached to the minutes and the manner in which the votes were cast shall be noted therein.

Section 55 Participation of the auditing association

Representatives of the auditing association shall be entitled to attend and speak at any meeting of representatives.

Section 55a Virtual assembly, hybrid assembly and assembly by extended procedure

(1)

The assembly of representatives may be held without the physical presence of the representatives in one place (virtual meeting). In this case, it must be ensured that the entire course of the meeting is communicated to all participating representatives in writing or by means of electronic communication, and that all participating representatives can exercise their rights to speak, to make motions, to provide information and to vote in writing or by means of electronic communication. When convening the meeting, information shall be provided in particular on any access data and on the manner in which the right to speak, to make motions, to receive information and to vote may be exercised.

(2)

Participation in the meeting of representatives may also take place either physically at the place of the meeting or without physical presence at that place (hybrid meeting). In this case, it must be ensured that the entire course of the meeting is communicated to all participating representatives by means of electronic communication, that the representatives who participate without being physically present at the place of the meeting can exercise their rights to speak, to make motions, to provide information and to vote by means of electronic communication and that the Executive Board and the Supervisory Board are represented by members physically present at the place of the meeting. (1) Sentence 3 shall apply accordingly.

(3)

Participation in the assembly of representatives can also take place in such a way that the meeting is split into a discussion phase, which is held as a virtual meeting or as a hybrid meeting, and into a voting phase that is held downstream (meeting in a stretched procedure). In this case, it must be ensured that during a discussion phase held as a virtual meeting, (1) Sentence 2 is fulfilled with the exception of the requirements for the exercise of voting rights, and during a discussion phase held as a hybrid meeting, (2) Sentence 2 is fulfilled with the exception of the requirements for the exercise of voting rights. It must also be ensured that during the voting phase all members can exercise their voting rights in writing or by electronic communication. (1) Sentence 3 shall apply mutatis mutandis; furthermore, notice shall be given of how and by when the vote to be cast in writing or by means of electronic communication is to be submitted.

(4) (deleted)

Section 55b Written or electronic participation in the adoption of resolutions of a meeting that is only held as an in-person assembly of representatives.

If it has been permitted to participate in the adoption of resolutions at a meeting of representatives held only as a presence event in writing or by way of electronic communication, it shall be communicated together with the convening notice how and by when the written or

electronic vote is to be cast.

Section 55c Participation of Supervisory Board members during an in-person meeting involving image and sound and transmission of the assembly of representatives in audio and sound

(1)

A member of the Supervisory Board may participate in a presence meeting by way of video and audio transmission if

- a) the Supervisory Board allows this participation option,
- b) this has been requested in text form from the Executive Board at least 1 week before the assembly of representatives and
- c) the Supervisory Board member credibly assures that it would take him more than 6 hours to travel to and from the meeting.

(2)

The transmission of the assembly of representatives in picture and sound is permissible. The decision as to whether (and in what manner) the assembly of representatives shall be broadcast in sound and vision shall be incumbent upon the Supervisory Board. The manner of transfer shall be announced with the convocation.

Section 56 Objects of the resolution

In addition to the matters specified in the Cooperative Act (GenG) and in these Articles of Association, the assembly of representatives shall decide, in particular, on the following matters:

- a) Amendment and supplementation of the Articles of Association;
- b) Incorporation, spin-off or discontinuation of a business area that affects the core area of the cooperative;
- c) Scope of the announcement of the audit report of the auditing association;
- d) Adoption of the annual financial statements, appropriation of the annual surplus or coverage of the annual deficit in compliance with the provisions on the formation of reserves (Section 18, 19);
- e) Relief of the Executive Board and the Supervisory Board;
- f) Election of the members of the Supervisory Board, as well as determination of remuneration within the meaning of Section 34 (2) Sentence 3;
- g) Revocation of the appointment of members of the Supervisory Board;
- h) Expulsion of members of the Executive Board and the Supervisory Board from the cooperative;

- i) Conducting legal proceedings against members of the Supervisory Board who are in office or have left office because of their position on the Supervisory Board;
- j) Election of a proxy pursuant to Section 39 (3) GenG to conduct legal proceedings against members of the Supervisory Board who are in office or who have left office because of their position on the Board
- k) Determination of the restrictions on the granting of loans pursuant to Section 49 Cooperative Act (GenG);
- l) Merger of the cooperative;
- m) Dissolution of the cooperative and continuation after decided dissolution;
- n) Change of legal form;
- o) Fixing of an admission fee;
- p) Appointments to the Election Committee and approval of the election rules for the election to the assembly of representatives;
- q) The determination of payments into the share, unless the amount and time of the compulsory payment is determined in the Articles of Association (Section 50 Cooperative Act [GenG]).

Section 57 Majority requirements

(1)

A majority of three quarters of the validly cast votes shall be required in particular in the following cases:

- a) Amendment and supplementation of the Articles of Association;
- b) Dissolution of the cooperative;
- c) Continuation of the cooperative after decided dissolution;
- d) Merger of the cooperative;
- e) Revocation of the appointment of members of the Supervisory Board
- f) Exclusion of members of the Executive Board and Supervisory Board;
- g) Division of the share;
- h) Amendment of the object of the cooperative;
- i) Introduction of mandatory participation with multiple shares;
- j) Extension of the notice period to longer than one year;
- k) Increase or decrease of the share and the liability amount.

(2)

A resolution to dissolve the cooperative or to change its legal form shall require a majority of nine tenths of the votes validly cast. For such resolutions, the presence of two thirds of all representatives in a meeting of representatives convened only for this purpose shall be required in addition to the statutory provisions. If this number of members is not reached in the meeting that decides on the dissolution of the cooperative or on the change of the legal form, any further meeting may decide on the dissolution of the cooperative or on the change of the

legal form within the same financial year without regard to the number of representatives present.

(3)

The auditing association shall be heard before a resolution is passed on the merger, dissolution or continuation of the dissolved cooperative and the change of legal form. An expert opinion of the auditing association to be requested by the Executive Board in due time shall be read out at the assembly of representatives.

(4)

A majority of nine tenths of the votes validly cast shall be required for an amendment to the Articles of Association introducing or extending an obligation on members to use facilities or other services of the cooperative or to provide goods or services, and for an amendment to Section 57 (2) Articles of Association.

VI. Accounting

Section 58 Financial year

The financial year of the cooperative shall be the calendar year.

Section 59 Annual financial statements and management report

(1)

At the latest within 5 months after the end of the financial year, the Executive Board shall prepare the annual financial statements and the management report – to the extent required by law – for the past financial year.

(2)

The Executive Board shall submit the annual financial statements and the management report – to the extent required by law – to the Supervisory Board pursuant to Section 25 Clause 6 and, together with its report, to the assembly of representatives for adoption of the annual financial statements.

(3)

The annual financial statements and the management report – insofar as required by law – shall be made available for inspection by the members or otherwise brought to their attention at least one week before the assembly of representatives at the business premises 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 (Section 41 Clause 6) – insofar as required by law – shall be submitted to the ordinary assembly of representatives.

Section 60 Appropriation of the net profit for the year

(1)

The assembly of representatives shall decide on the appropriation of the net profit for the year.

(2)

To the extent that it is not allocated to the statutory (Section 18) or other revenue reserves (Section 19) or used for other purposes, it may be distributed to the members in proportion to their credit balances at the end of the preceding financial year. Payments made during the financial year shall be disregarded.

(3)

The profit attributable to the individual member shall be added to the share capital until the share capital has been reached or a share capital reduced by loss has been replenished. When calculating the profit share, the credit balance of each member shall only be taken into account insofar as it amounts to full Euros.

Section 61 Coverage of a net loss for the year

(1)

The assembly of representatives shall decide on the coverage of a net loss for the year.

(2)

To the extent that a net loss for the year is not carried forward or covered by drawing on the other revenue reserves (Section 19), it shall be covered by the legal reserve (Section 18) or by a write-off of the members' credit balances or by both at the same time.

(3)

If the credit balances are used to cover the loss, the share of the loss attributable to the individual member shall be calculated according to the ratio of the compulsory shares of all members taken over or to be taken over in accordance with the Articles of Association at the beginning of the financial year in which the loss occurred.

VII. Liquidation of the cooperative

Section 62 Liquidation

(1)

After dissolution, the cooperative shall be liquidated.

(2)

The liquidation shall be carried out in accordance with the law.

(3)

The law shall apply to the distribution of the assets of the cooperative with the proviso that surpluses shall be distributed among the members in proportion to their share capital. Assets that cannot be distributed shall accrue to the foundation "Landgard-Stiftung" for use in accordance with the Articles of Association.

VIII. Announcements of the cooperative

Section 63 Notices

(1)

Unless otherwise prescribed by law or in the Articles of Association, the cooperative's notices shall be published on the cooperative's publicly accessible website; the annual financial statements and the statutory management report, as well as the documents referred to in Section 325 German Commercial Code (HGB), shall only be published in the Company Register.

(2)

The notice shall state the names of the persons from whom the notice originates.

(3) (deleted)