

Statutes EkoConnect gem. e. V.

§ 1 Name, Seat

1. The name of the Association is „EkoConnect – Internationales Zentrum für den Ökologischen Landbau Mittel- und Osteuropas“ (EkoConnect - International Centre of Organic Agriculture for Central and Eastern Europe). It shall be registered in the official register of societies and associations of the county court Dresden, Germany and carries in Germany the indication “gemeinnütziger eingetragener Verein” - charitable registered Association/not-for-profit- abbreviated “gem. e.V.” after the name.
2. The office of the Association is situated in Dresden, Germany.

§ 2 Statutory Purposes

1. The Association pursues the public interest solely and directly in accordance with the paragraph „ tax-deductible purposes“ of the German tax law (Abgabenordnung). The purpose of the Association is to enhance and support environmental protection and landscape conservation, international understanding, education, health precaution and animal protection.

This will be realised through following:

- supporting the beneficial development of organic agriculture in Central and Eastern Europe (CEE),
 - promotion of the availability and the increase of organically produced foodstuffs,
 - contributing to a sustainable development in rural areas,
 - initiating and supporting of joint action and partnership and of ideational, scientific and economic exchange among and between those organisations, companies and authorities that are active in the field of organic agriculture in CEE countries and with West European partners,
 - establishment of a meeting place for all engaged parties from the whole of Europe,
 - setting-up and running of an information point and an office for the co-ordination of organic agricultural issues especially for the CEE countries,
 - carrying-out of informational, educational, consulting, encountering and developing measures as well as scientific events and research projects,
 - supporting of existing educational institutions and advice centres,
 - drawing up and circulation of materials, essays and publications.
2. The activities of the Association are selfless, it does not engage in activities primarily intended to accumulate capital.
 3. Its funds must be used exclusively for statutory purposes. Its members may not benefit from payments by the Association.
 4. People may not benefit from expenses by the Association, which are not covered by the scope of its purpose, or from payments which are disproportional.
 5. In order to achieve its purposes the Association may also have a share and participate in other enterprises or organisations that pursue similar aims.

§ 3 Financial year

The calendar year is the financial year of the Association. The first rump-financial year ends at the 31.12.2003.

§ 4 Membership

1. The Association shall consist:
 - 1.1. of ordinary members: any natural person and legal person of the private and public law, who actively supports or wishes to support the development of organic agriculture in the CEE countries.
 - 1.2. of supporting members: any natural person and legal person of the private and public law, who are not included under 1.1 and who would like to pursue the Association's objectives. Supporting members have no voting rights.
 - 1.3. of honorary members
2. The Board decides upon admission of members after receiving an application in writing. Membership will be approved by the Board through the issuing and submission of a membership card. The Board may refuse to admit members without giving reasons for doing so.
3. Membership ends with exclusion, resignation of membership, cancellation, death (in the case of a natural person) or termination without assigns (in the case of a legal person). Resignation has to be declared to the Board in writing and becomes valid upon receipt.

§ 5 Organs

1. The organs of the Association are:
 - 1.1 the General Assembly (GA)
 - 1.2 the Board of directors
 - 1.3 the Advisory Committee
2. Through resolution of the GA additional committees may be determined for special tasks and additional representatives may also be appointed.

§ 6 General Assembly

1. A regular General Assembly (GA) is held every year and will be announced by the 1st or second chairperson of the Board of directors through a personal written invitation via invitation letter, fax or email to be sent to the last known address of the members. General Assemblies must be announced three weeks in advance. Together with the invitation the Board has to inform the membership about the agenda decided by the Board. Motions from members must be proposed to the Board at least 7 days before the session of the General Assembly. Except motions regarding changes of the statutes, these have to be handed in to the Board at least 6 weeks prior to the session of the General Assembly.
2. The quorum shall be established by at least 1/5 (one fifth) of the members present at the opening of the General Assembly. A resolution will also be passed and approved without holding a session if four fifth (4/5) of the membership give their agreement to the resolution in writing. To represent a legal person those bodies have to name a natural person and also a replacement to the Board. Only those named have the right of vote for the legal person in question.

3. Each ordinary and each honorary member holds one vote in the General Assembly. Votes by written proxy are permitted, but restricted to a total of two additional votes per member.
A proxy has to be approved separately for each single session of the GA.
4. Tasks of the General Assembly (GA):
 - election and relief of the members of the Board of Directors
 - fixing of the membership fees
 - decision-making and passing of any changes regarding the statutes
 - release of Board members in cases those concerned have caused serious damage to the statutory purposes of EkoConnect
5. The Board may call an extraordinary General Assembly at any time. On the written request of at least one third ($\frac{1}{3}$) of the ordinary members stating the reason and purpose of such the Board also has to call an extraordinary General Assembly immediately.
6. Decisions of the General Assembly are recorded in Minutes, which are signed by the chair, the minute keeper and in the case of elections by the returning officer (the person in charge of the election performance).

§ 7 Board of directors

1. The Board of Directors according to the wording of § 26 of the BGB (German Civil Code) consists of up to a maximum of 5 Board members who are: the 1st chairperson, two vice-chairpersons and if applicable 2 further members.
2. The Board members will be elected one by one by the GA.
The absolute majority is necessary in the first ballot. In a second ballot the candidates with most of the votes will compete.
3. The members of the Board will determine the first chairperson from among themselves for one term. The remaining two Board members become vice chairpersons automatically.
4. The 1st chairperson and the two vice chairpersons of the Board will represent the Association judicial and out of court individually. By that they form the legal Board according to the wording of § 26 of the BGB (German Civil Code).
5. If a member of the Board retires during the term, the Board will then appoint a substitute for the remaining time until the next session of the GA, which need to approve upon the election of the new Board member.
6. The election of the Board is done for a 4-years term. The term does in no case end before a new Board has been elected. Re-election is possible.
7. The Board may conclude an contractual agreement with the chairperson of the Board or with any other Board member for the management of the association. The contractual agreement with one Board member will be signed by the remaining Board members. The Board may also decide to employ a full-time managing director to carry out the management of the Association. The association may set up an office. Employee-employer contractual relationship between Board members and the association is possible. The remaining Board members not engaged in this mutual relationship will be responsible for the conclusion of such contractual relationship.
8. The Board is responsible for all matters of the Association as long as not defined otherwise in these statutes. The Board is mainly responsible for:

- day to day business and principle matters of the Association,
 - drawing-up and passing of the financial plan,
 - preparation, calling and chairing of the GA,
 - drawing up of an agenda for the session of the GA representing the annual report to the membership.
9. Board meetings will be called by the 1st chairperson or by one of the two vice-chairpersons of the Board. The Board has a quorum if at least three Board members are represent. The Board decides by a majority of votes. The vote of the 1st chairperson shall be decisive in the event of a tie. If the 1st chairperson is not represent the vote of the eldest of the two vice chairpersons shall then be decisive.
10. The Board is entitled to draw-up and establish standing orders and a plan for the allocation of management matters.

§ 8 Advisory Committee

1. The Board appoints the members of the Advisory Committee for the duration of 4 years. Further terms are possible. The task of the committee is to support the work performance of the Board and to give advise in strategic and special matters. They do not necessarily have to be a associated members of EkoConnect. One Board member will always be represented in the Advisory Committee.
2. The committee will appoint a spokesman from among the members every second year, who will call for meetings of the committee and who will also chair those meetings. The committee may be enforced by external competent experts, who not necessarily have to be a member of the Association. External experts have no voting rights within the committee.
Committee members may receive compensation for their work performance from the Association.

§ 9 Membership fees

Members have to pay annual fees to maintain their membership. The GA decides upon then fee structure. Fees fall due by the 1st of January of each year.

Honorary members do not have to pay membership fees.

§ 10 Violations of the Association's interests

A member may be temporary or finally excluded from the Association through decision by the Board if the respective member offends against the purposes and interests of the Association or does not comply with resolutions and requests drawn up by any of the organs of the Association.

The decision has to be submitted in writing via a registered letter to the member in question. The respective member may demand a vis-a-vis or a written hearing. Once excluded a former associated member loses all positions and functions within the Association as well as the right of claims. Excluded members are still liable for any damage they may have caused to the Association. In the case of exclusion the respective member has to return all things, money etc. belonging to the Association.

§ 11 Amendments, modifications

Through resolution of the GA and with a majority of $\frac{3}{4}$ of the votes given by the members with voting rights represented these statutes may be amended or modified, including the purpose of the Association.

Therefore the membership has to be notified in writing about the amendments and modifications to the statutes one month prior to the resolution.

Any changes of statutes which are requested by financial, legal or supervisory authorities may be approved by the Board. These changes have to be presented at the next session of the GA.

§ 12 Termination and use of the financial means of the Association

1. Termination of the Association needs an unanimously resolution made by the GA.
2. If the Association comes into liquidation because of the termination or loss of capacity to hold rights and duties the Board becomes the body responsible for liquidation, unless the GA decides otherwise with a 3/4 majority of the given votes.
3. In the case of termination or in case of loss of tax reduction rights the remaining assets of the Association shall be transferred to the public interest Association Earth 3000 gem. GmbH in Bieberstein (Sachsen). Earth 3000 exclusively has to use the money for the development and support of organic agriculture in the CEE countries.
4. If termination is done in order to transfer into and merge with another Association or to transfer into a different legal entity only a majority of 2/3 of the votes in the GA are necessary. The remaining capital will be transferred to that new legal entity, and this entity has to use the capital for the support and development of organic agriculture in the CEE countries.

§ 13 Other

1. Only the capital of the Association is liable for the Association's debts.
2. Resolutions of the Association's organs have to be passed with a relative majority, unless defined otherwise in these statutes or rules of procedures of the organs of the Association. Abstentions are not taken into account. Elections may be carried out by secret vote if demanded so by a member.

§ 14 Final conclusions

1. Any conditions and regulations of the standing orders of the Association and its organs as well as resolutions passed by the GA and other organs become void if they are contradictory to these statutes.
2. The place of court jurisdiction is Dresden, Germany.
3. These statutes were passed and approved by the foundation GA on the 2003-10-01.
4. These statutes come into force with the registration at the local court of the city of Dresden.

signatures:

