

Please Note:

- The English version of the Statutes is an unofficial translation.
- Only the current German version is legally binding.

Statutes of the

EDM European Democratic Media eG - Statutes in the version from 27.05.2017

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Preamble:

Today the average citizen in Europe, despite having access to more sources and a greater volume of “news” than ever before, suffers a dearth of diversity of information in the media. This is the case with regard to content, as well as analysis and opinion. There are a number of reasons for this:

On the one hand, a great deal of reporting is based on information from politicians and their spokespersons; many stories are sourced from public relations firms, funded by corporations and other vested interests; numerous “experts” and academics, whose statements predominate in the media, have very close ties, or are financed by governments, political parties, financial institutions, and corporations.

On the other hand, as a result of austerity in state media and the quest for profits in private media, journalists are no longer able to properly research their inputs; often adequate time and money are not available even to verify the information that is being distributed by the media.

Yet in Europe there are large numbers of academics, experts, activists, civil movements, and other organisations who offer information on topics, insights, findings, and opinions – but due to the above mentioned reasons seldom receive coverage in mainstream media.

Furthermore, while political and corporate interests operate internationally, most media and the flow of information are still disseminated within national borders and limited by language barriers. There may be a pan-European market for publicity, allowing corporations to create media empires across the EU, but their principal interest is to maximise profits, not to promote a democratic free flow of ideas.

The Goals of the EDM European Democratic Media eG

The goal of EDM European Democratic Media eG (a charitable Cooperative) is to create the first website publishing analyses, reports and opinions that relate to the real lives of the majority of Europeans. We support a democratic exchange of ideas across the borders of European nations enabling the creation of an egalitarian, just and social option to neo-liberal Europe.

This website, BRAVE NEW EUROPE, will not be just another news website, but will disseminate expertise with a radical face and analytical insights concerning European politics, finance and economics, free of sensationalism and cant.

BRAVE NEW EUROPE will offer free online content, acting as a filter, giving readers access to information that they would not easily encounter elsewhere.

EDM European Democratic Media eG is not a platform for populists or demagogues. BRAVE NEW EUROPE will not be functionalised by political parties, business associations, and corporations. Instead the website will serve as an interface between critical academics, serious experts, and activists, connecting theory and practical politics.

Involving authors from throughout the continent, BRAVE NEW EUROPE will for the first time connect Europeans in a common forum, exploring, yet not over-simplifying, the complex reality in which we live and focussing on pivotal current issues.

The exchange of ideas will not be limited to the contributors, but will include comments by readers. BRAVE NEW EUROPE aims to build a pan-European community of participants and a forum in which relevant European public and economic issues can be debated.

In light of the above, the founding members hereby agree on the following statutes:

1. Cooperative Name and Registered Seat

§ 1 Name and Registered Office

The name of the Cooperative is „EDM European Democratic Media eG“. The Cooperative has its registered office in Berlin, Germany

2. Object of the Cooperative

§ 2 Object of the Cooperative

1. The Object of the Cooperative is:

- a. To support education
- b. To promote a European and international understanding
- c. To promote democratic states

2. The purpose of the Statutes is mainly realised through the strengthening of the freedom of the press and opinion based upon the principles of democracy and pluralism.
3. In order to fulfil the purpose of its Statutes the Cooperative maintains an internet platform in which postings by authors and journalists are published, ordered, and archived, as well as providing a discussion forum between the authors, members of the Cooperative, and the general public.
4. The purpose of the Cooperative is to raise funds to support education, democratic states and international attitudes, tolerance regarding all aspects of cultural life and international understanding via other charitable bodies for the good of the public. The Cooperative pursues exclusively and directly charitable ends within the meaning of the clause „Gemeinnützige Zwecke“ § 52 of the Abgabenordnung (“Tax-advantaged purposes” section of the German fiscal system).

3. Status as a Charitable Organisation

§3 Status as a Charitable Organisation

1. The Cooperative solely serves non-profit and charitable purposes. It works on the basis of selflessness and has no interest in making a profit.
2. Funds of the Cooperative are only permitted to be used for purposes stipulated by the Statutes. Members receive neither dividends nor any other form of payment from the Cooperative in their capacity as members.
3. Members do not receive any form of compensation for their membership if they leave the Cooperative or the Cooperative is disbanded.
4. No person shall be favoured with expenses which are foreign to the aims of the foundation or with payment which is disproportionately high.

4. Membership

§4 Members

1. Any individual, corporate body or nominee of an unincorporated body, firm, partnership or corporate body registered in a member state of the EU or the European Economic Area can become a member.
2. To become a member one must recognise the principles of a democratic system, as well as live and act according to these. This includes in particular: Acceptance of democratic processes (majority decision), eschewing violence and the threat of violence to attain political goals, rejecting discrimination with regard to gender, race, ethnic origin or religion, abstention from corruption as well as censorship in any form.
3. Members can decide if they wish to become
 - ordinary, active members (referred to hereafter as „ordinary members“), or as
 - sustaining, passive members (referred to hereafter as „sustaining members“).
4. Only ordinary members are permitted to vote at the annual General Members’ Meetings of the Cooperative.

§5 Becoming a Member

1. In order to acquire membership, the applicant must submit an unconditional accession declaration signed by him/her and be admitted to the Cooperative. The Executive Board or Supervisory Board decides on the admission of ordinary members. The executive Board decides on the admission of sustaining members following approval by the supervisory board. The Supervisory Board can limit the number of sustaining members in addition to the number of shares they can acquire.

2. The membership of a “minor“ requires the consent of one person having the care and custody of the child in accordance with law.
3. Following the approval of membership the member will immediately be entered into the list of members and informed thereof. The Executive Board decides upon the admission of ordinary members. The Supervisory Board determines the admission of sustaining members in accordance with the Cooperative’s Statutes.

§6 Acquisition of membership

1. For an ordinary member an admission fee is payable to the Cooperative upon admission. It amounts to at least one share in the Cooperative.
2. For a sustaining member an admission fee is payable upon admission to the Cooperative. It amounts to one share in the Cooperative

§7 Ending Membership

Membership terminates at the end of the calendar year due to

- Termination
- Transfer of members’ share capital of the Cooperative
- “Causa mortis“
- Liquidation or dissolution of a legal entity, commercial partnership or partnership
- Expulsion

§8 Terminating Membership

1. Every ordinary member has the right to declare their departure from the Cooperative through termination at the end of the year in which termination is given with due notice.
2. Ordinary members wishing to terminate their membership in the Cooperative must first inform the said Cooperative in writing of his/her intention at least 6 months before the end of the calendar year.
3. Sustaining members wishing to terminate their membership in the Cooperative must first inform the said Cooperative in writing of his/her intention at least 3 months before the end of the calendar year.

§9 Transfer of members’ share capital of the Cooperative

1. A member can transfer or sell his/her share/s of the Cooperative to another member of the Cooperative at any time, even during the current financial year, by written agreement with the Executive Board.
2. A member can also transfer some of his/her shares in the Cooperative to another member in order to reduce his/her stake in the Cooperative, but still remain a member.
3. Insofar as the purchaser is not yet a member of the Cooperative, he/she must beforehand purchase a share of the Cooperative to become a member

§10 Termination of membership through death

In the case of death of a member, his/her share/s in the Cooperative are transferred to the heir/s of the deceased member. The membership of the heir/s terminates at the conclusion of the calendar year in which the share/s is/are inherited.

§11 Ending of membership through the liquidation or dissolution of a legal entity, commercial partnership or partnership

If a legal person, a commercial partnership or a partnership is liquidated or dissolved, the membership will end at the conclusion of the financial year in which the dissolution or liquidation became effective. If the liquidation or

dissolution leads to a universal succession, the universal successor shall continue the membership until the conclusion of the financial year.

§12 Expulsion of a Member

1. A member can be expelled from the Cooperative at the end of a financial year if:
 - a) despite a written demand with a warning of expulsion he/she fails to fulfil the obligations under these Statutes or other existing obligations with respect to the Cooperative. This particularly applies if there is a risk of the Cooperative suffering significant detrimental effects, especially for non-fulfilment of an obligation und legal action is necessary.
 - b) the member's address is unknown or his/her whereabouts are unknown;
 - c) the member runs or is involved in a company that is in direct competition with the Cooperative or when a company that competes with the Cooperative purchases shares in the company of the member;
 - d) the member's conduct is incompatible with the policy of the Cooperative.
2. The executive Board determines the expulsion of members. Before being expelled the member should be given an opportunity to present his/her response to the intended expulsion. Members of the Executive Board or the Supervisory Board however can only be excluded by a decision taken by General Members' Meetings.
3. The decision on expulsion must be promptly communicated to the expellee by the Executive Board by registered letter or email. From the moment when such a notice is sent the person will no longer be able to participate in the General Members' Meeting.
4. The expellee can lodge an appeal against the exclusion decision within one month after the receipt thereof by way of a registered letter sent to the Executive Board. The Supervisory Board shall decide on the appeal. The expellee has the right to challenge his/her expulsion in the national courts. The due legal process is expressly precluded when the member has not lodged an appeal.

§13 Apportioning of assets and liabilities

1. The apportioning of assets and liabilities between former members and the Cooperative shall be made on the basis of the balance sheet adopted by the General Members' Meeting. If the balance sheet serving as the basis for the apportioning of assets and liabilities reports a loss, this share shall be limited in accordance with the ratio of the guaranteed amount attributable to a particular former member to the guaranteed amount attributable to all members.
2. A settlement credit is to be paid to the former member within 24 months following his/her termination of membership. Members do not have any claim on the reserves and assets of the Cooperative. The Cooperative is entitled to offset any claims against the former member against a possible the settlement credit. The Cooperative holds the member's settlement against a possible shortfall, especially in the case of insolvency proceedings.

5. Rights and Obligations of the members

§ 14 Rights and Obligations of the Members

1. Members have the right to make use of the services of the Cooperative and actively participate in shaping its policy according to the Genossenschaftsgesetz (German Cooperative Act) and the current version of the Statutes. In particular the member has the right,
 - a) to use the Cooperative's services and facilities in accordance with the terms and conditions laid down for these,

- b) to participate in the deliberations, votes, and elections at General Members' Meetings und to demand information about all matters of the cooperative,
 - c) to file motions on the agenda of the General Members' Meetings or to be able to request calling extraordinary General Members' Meetings,
 - d) in conformity with the relevant provisions and resolutions concerning the annual profit and to participate in any other distributions,
 - e) to purchase further shares in the Cooperative,
 - f) at his/her own expense, prior to the drawing up of the annual financial statement for the General Members' Meetings, a member can request a copy of the annual financial statement, where required a copy of the status report and the report of the Supervisory Board,
 - g) to see the minutes of the General Members' Meetings, the summarised audit result and the list of members.
2. Every sustaining member has the same rights as an ordinary member with the exception of sections c to g of § 14, section 1 of these Statutes.
 3. Every member has the obligation to preserve the Cooperative's interests. In particular he or she is obliged to
 - a) comply with the provisions of the Genossenschaftsgesetz (German Cooperative Act) and the Statutes und the provisions of the General Members' Meetings,
 - b) must pay for his/her shares and additional shares in accordance with the Statutes,
 - c) comply with the general business, delivery and payment conditions, as well as the conditions for the use the Cooperative's services and facilities und and the relevant provisions of the Executive Board and Supervisory Board.
 - d) to handle matters of the cooperative not intended for third parties in particular quotation documents, prices and terms, newsletters, notices and announcements and other information from the Cooperative confidentially,
 - e) inform the Cooperative without delay of any changes in his/her professional office or any change in the company's legal form or registered office, as well as the ownership and ownership structure
 - f) Members are not required to pay regular membership fees or cost allocations. They support the cooperative by fulfilling specific agreements to the mutual benefit of all participants.
 - g) According to the Statutes members are not required to provide subsequent capital contributions.

6. Shares and credit balances and additional payment obligation

§15. Members' shares and members' share capital of the Cooperative

1. Each share has the nominal amount of 200 Euros.
2. Each ordinary member is obliged to purchase at least one Cooperative share.
3. The Executive Board can permit a member to pay for his/her shares in instalments.
4. Ordinary members can purchase further shares following the ordinary payment of previous shares.
5. The capital of the Cooperative comprises the payments of the members' shares, plus any share of profit attributed to them, less any shares of losses attributed to them.
6. The assignment or pledging of the members' share capital of the Cooperative to third parties is not permitted and is ineffective as against the Cooperative.
Members are not permitted to offset their share capital of the Cooperative against their liabilities to the Cooperative.

§16 Additional payment obligation

- 1. The members are personally liable for the Cooperative up to the ordinary sum of their shares.**
- 2. Additional funding obligations do not exist.**

7. Organisation of the Cooperative

§17 Organisation

The Cooperative has three Organisations

- The Executive Board**
- The Supervisory Board**
- General Members' Meetings**

§18 Duty of care

The organs of the Cooperative shall be obliged to apply the principles of orderly business activities with regard to operating costs.

§19 Executive Board

- 1. The Executive Board consists of two natural persons. They must be ordinary members of the Cooperative. Sustaining members cannot be members of the Executive Board. The Supervisory Board can appoint additional members to the Executive Board. Members of the Executive Board cannot simultaneously be a member of the Supervisory Board of the Cooperative.**
- 2. The contracts of service with ordinary-time or part-time members of the Executive Board should not extend beyond their term of office. The chairperson of the Supervisory Board is responsible for signing the contracts of service of members of the Executive Board. The Supervisory Board, represented by its chairperson, is responsible for the termination of contracts of service with members of the Executive Board subject to the contractual or legal period of notice.**
- 3. Members of the Executive Board will initially be appointed for a maximum term of three years. If reappointed the term of the members of the Executive Board shall not exceed five years.**
- 4. The Supervisory Board can remove members of the Executive Board from office until the decision by the General Members' Meetings. The necessary decision by the Supervisory Board necessitates a 2/3 majority.**
- 5. In the case of unpaid, honorary members of the Executive Board employment terminates with the end of their term of dismissal. They can receive appropriate reimbursement; this will be determined by the Supervisory Board.**

§20 The management and representation of the Cooperative

- 1. The Executive Board is responsible for managing the Cooperative under its own responsibility. It must only observe the conditions imposed by the statutes and the law**
- 2. The Cooperative is represented by two members of the Executive Board. When signing documents both Executive Board members are responsible for including their printed name and signature.**
- 3. The oldest member of the Executive Board is the Chairperson of the Executive Board.**
- 4. If a binding declaration of intent is to be given to the Cooperative, it is sufficient if such a declaration is given to a single member of the Executive Board.**
- 5. The Executive Board is responsible for managing the business of the Cooperative in accordance with its decisions, which are determined by a majority vote. In case of a tie the Chairperson of the Executive Board decides. The Executive Board**

constitutes a quorum, when two members are present. Minutes regarding resolutions of the Executive Board are to be signed by all members of the Executive Board and securely archived.

6. The Executive Board shall adopt Rules of Procedure.
7. The members of the Executive Board are entitled to participate in meetings of the Supervisory Board, unless the Supervisory Board excludes them. The Executive Board does not have the right to vote on Supervisory Board resolutions

§21 Rights and Obligations of the Executive Board

1. The members of the Executive Board are to employ the care required of a fair, diligent management of a Cooperative in performing their duties. They are obliged to observe secrecy about confidential data and secrets of the Cooperative – even when their duties have ceased.
2. In particular the Executive Board is obliged to
 - a. Conduct transactions in accordance with the goals of the Cooperative
 - b. plan and implement personnel, operative, and organisational measures in timely fashion
 - c. Provide a proper accounting system in accordance with these Statutes.
 - d. To decide on the admission of members and the subscription of additional shares
 - e. Keep a current list of members that is not made public in accordance with the Genossenschaftsgesetz (German Cooperative Act),
 - f. Remedy deficiencies cited in the finance report and inform the auditing association of these
 - g. Inform the Supervisory Board concerning planned business policies and other questions of corporate planning (in particular concerning financial and investment plans)
 - h. Executive Board members who violate their obligations or duties are required to indemnify the Cooperative for the damage that has occurred.
 - i. This obligation to the Cooperative does not apply should the action of the Executive Board be based on a resolution of the General Members' Meetings.

§22 Supervisory Board

1. The Cooperative shall have a Supervisory Board consisting of not less than three persons. The General Meetings of the members of the Cooperative can determine to increase the number of members in the Supervisory Board, but this number must be divisible by three.
2. Members of the Supervisory Board cannot simultaneously be a member of the Executive Board or a salaried employee of the Cooperative.
3. The members of the Advisory Board are elected by the annual General Members' Meetings. Members of the Supervisory board will serve for a period of a maximum of three years, and shall be eligible for reappointment thereafter.
4. If a member of the Supervisory Board resigns during his term of office, the Supervisory Board shall consist of the remaining members until the next General Members' Meetings. Should the Supervisory Board not have a quorum, an extraordinary General Members' Meetings names a successor for the remaining term of office.
5. The members of the Supervisory Board elect a Chairperson from among its members.
6. The members of the Supervisory Board receive an appropriate remuneration. This can also be a lump-sum allowance.

§23 Tasks of the Supervisory Board

1. The Supervisory Board is charged with supervising, monitoring, and advising the Executive Board. The Rights and Obligations of the Supervisory Board are determined by the Statutes of the Cooperative. The Supervisory Board should especially take §27 Abs. 1 GenG into consideration.
2. The Supervisory Board represents the Cooperative in any disputes with the Executive Board members both in and out of court. The General Members' Meeting decides if such legal action is to be taken.
3. The Supervisory Board may demand information from the Executive Board at any time. A single member of the Supervisory Board can demand information from the rest of the Supervisory Board. Every member of the Supervisory Board has the right and obligation to take cognisance of documents of the Supervisory Board. Every member of the Supervisory Board should take notice of the audit report.
4. The Supervisory Board shall examine the annual financial statements, the annual report and the proposal on the appropriation of the net income for the financial year or on the absorption of the net loss for the financial year, and shall report on them to the General Members' Meetings before the annual financial statements are adopted.
5. The Supervisory Board can create committees from among its members.
6. The members of the Supervisory Board cannot transfer their duties to another person. The Supervisory Board may make use of the assistance of qualified third parties to fulfil its duties of supervision.
7. The Supervisory Board's resolutions shall be carried out by its chairperson.
8. The Supervisory Board shall adopt Rules of Procedure.

§24 Duty of care of the Supervisory Board

The members of the Supervisory Board are to exercise the duty of care expected from a duly conscientious businessman. They are to guard the secrecy of information concerning the Cooperative, even after their duties have ceased.

§25 Meetings of the Supervisory Board

1. The Supervisory Board will hold meetings when needed. A meeting of the Supervisory Board must be called at least once a calendar year.
2. As a general rule the Supervisory Board shall invite the Executive Board to its meetings. The Executive Board members shall have no voting rights at meetings of the Supervisory Board.
3. The Chairperson of the Supervisory Board must convene a meeting of the Supervisory Board without delay, should one third of the members of the Supervisory Board or Executive Board request this stating their purpose and reason.
4. The Supervisory Board constitutes a quorum if more than half of its members who were elected by the General Members' Meetings are present at the time the decision is taken. The Supervisory Board shall adopt its resolution by simple majority of the votes cast; a motion shall be deemed to be rejected in the event of a tie.
5. Resolutions in writing by the Supervisory Board are permitted if no objections are raised by a member of the Supervisory board.
6. The resolutions must be properly minuted and signed by the meeting's chairperson and secretary. The completeness and availability of the minutes is to be ensured.

§26 The agenda for the joint sessions of the Executive and Supervisory Boards are based on the submissions made by the Executive Board following common and/or separate consultations.

- a. Expenditures and investments not covered in the established annual plans
- b. Acquisition of membership

- c. Holdings
- d. Granting procuration
- e. Measures to be taken resulting from the report on the statutory audit.
- f. The allocation and withdrawal from revenue reserves in preparing the annual financial statement as well as the proposal on the appropriation of the net profit or to cover a loss
- g. The preparation of common submissions for the General Members' Meetings

Joint sessions of the Executive and Supervisory Boards must occur at least once a year.

§27 General Members' Meetings

1. Ordinary members shall exercise their rights in matters relating to the Cooperative in the General Members' Meetings. In the General Members' Meetings sustaining members are not entitled to vote.
2. Each ordinary member has one vote.
3. Legal entities exercise their voting rights through their legal representatives; partnerships exercise their right to vote via their partners who are authorised to represent them.
4. Members, a legal representative or their partners may be represented by an authorised representative. Heirs of a deceased member (§ 6) can only exercise their voting rights by a jointly authorised proxy; the same applies to companies constituted under the German Civil Code (Gesellschaften bürgerlichen Rechts). An authorised representative cannot represent more than two members. Legal or authorised representatives or proxies entitled to vote must provide a document certifying their power of representation.
5. No one shall be entitled to exercise the voting right neither for himself/herself nor for another member pending decision whether he/she or the member he/she is representing shall be discharged or relieved of a liability, or if the Cooperative shall assert a claim against him/her or the member he/she is representing. He/She however will be given a hearing before the relevant resolution is adopted.
6. General Members' Meetings are to be held within the first six months after the conclusion of a financial year.
7. Extraordinary General Members' Meetings can be convened as needed.
8. The General Members' Meetings shall be held at the place of the Cooperative's registered office unless the Executive and Supervisory Boards jointly specify a different venue.
9. The General Members' Meetings are convened by the Chairman of the Executive Board. The Supervisory Board is entitled and obliged to convene a meeting, if there are grounds for this under the law or especially if requested by the Auditing Association.
10. The ordinary members of the Cooperative can request an extraordinary General Members' Meetings, providing they explain their reasons in writing explaining the purpose and reasons, should at least one tenth of the ordinary members support such a meeting.
11. The Invitation to the ordinary General Members' Meetings shall be issued by the Executive Board in writing to all members at least 20 calendar days between the date of notice of the convocation and the date of the General Members' Meetings. It shall be sufficient to send an email to the email address registered by the member of the Cooperative with a request to confirm receipt. It shall also be sufficient to send an email to the registered email address. The agenda must be announced when the meeting is convened.
12. The agenda of the General Members' Meetings shall be set by the person who convenes the meeting. Ordinary members of the Cooperative may request in

writing for items to be placed on the agenda, giving their reasons for the request; this requires a motion tabled by at least one tenth of the ordinary members.

13. Resolutions cannot be adopted on items whose discussion at the meeting is not announced so as to allow at least a week between the receipt of the announcement and the date of the General Members' Meetings. This does not apply if the resolutions concern the chairing of the meeting or motions on the convening of an extraordinary General Members' Meetings. Motions and discussions that are not for resolution do not require announcement.
14. General Members' Meetings are conducted by the chairperson of the Supervisory Board or the deputy chairperson. Pursuant to a resolution by the General Members' Meeting the chair can be transferred to another member of the Cooperative, an authorised representative of a member firm, or a representative of a statutory auditing Association. The chairperson shall appoint a secretary and, if necessary, tellers.
15. Representatives of the Auditing Association and the Federal Association of Cooperatives are entitled to participate and speak at any time in General Members' Meetings. Insofar as the law prescribes that an opinion or expertise from the Association is necessary, the Executive Board is responsible to request this on time and to provide the members of the Cooperative with a copy if requested.
16. Resolutions of General Members' Meetings require a simple majority of the votes validly cast, unless a larger majority is stipulated by law or these Statutes every ordinary member has one vote, despite the number of shares he/she owns. A member can cast a maximum of two proxy votes for other members, in addition to his/her own vote.
17. The General Members' Meetings shall adopt resolutions on the issues described in the Genossenschaftsgesetz (German Cooperative Act) and in these Statutes, and in particular on
 - a) amendments to the Statutes by a majority of three quarters of the members present,
 - b) the audit report by the statutory auditor,
 - c) the adoption of the annual financial statements, the appropriation of the net income for the financial year, or the absorption of the net loss for the financial year,
 - d) the approval of the actions of the Executive and Supervisory Boards, whereby approval of each Board will be voted upon separately,
 - e) the election the members of the Supervisory Board and determines their remuneration.
 - f) the revocation of the appointment of the members of the Supervisory Board by a majority of three quarters of the members present,
 - g) the expulsion from the Cooperative of Executive Board and Supervisory Board members by a majority of three quarters of the members present,
 - h) the pursuit of claims against current Executive Board and Supervisory Board members due to positions on these governing organs by a three-quarters majority of the members present,
 - i) the determination of the lending restrictions in accordance (in particular commercial credit) with section 49 of the Genossenschaftsgesetz (German Cooperative Act),
 - j) the withdrawal from cooperative associations, headquarters, and federations,
 - k) the merger of the Cooperative or a change of legal form, requiring a majority of three quarters of the members present,
 - l) the commencement, outsourcing, or cessation of a business unit that affects the core operation of the Cooperative, requiring a majority of three quarters of the members present,

- m) the winding-up of the Cooperative and should the situation arise, the continuation of the Cooperative after its winding-up has been resolved, requiring a majority of three quarters of the members present
- n) the creation of advisory boards.
18. Votes and elections are determined by a show of hands. Votes are conducted by secret ballot if requested by the Executive Board, the Supervisory Board, or at least 25 percent of the votes validly cast in a resolution regarding this issue
 19. Only votes that have been validly cast are counted when determining the results of a vote; abstentions and invalid votes are not counted. If a tie results, a motion is deemed to be rejected. In the case of a tie in elections, the winner shall be determined by lots. At elections, each person who is eligible to vote may cast a maximum of one vote in favour of any one candidate.
 20. If elections are conducted by a show of hands, it is necessary to hold an individual ballot for every mandate to be elected. The candidates who receive a simple majority of the votes cast are elected. Should no candidate receive a simple majority of the votes cast in the first ballot, a run-off between the two candidates who received the most votes should be conducted. In this case the candidate who receives the most votes cast is elected.
 21. The person elected must declare to the Cooperative without delay whether he/she accepts the election.
 22. If requested to do so at a General Members' Meetings, the Executive Board must provide any each ordinary member with information relating to the Cooperative, insofar as this is necessary to allow the proper assessment of an agenda item. The Executive board or Supervisory Board supplies the information.
 23. Information may be refused if
 - a) providing the information would under any reasonable commercial judgment be likely to cause not inconsiderable harm to the Cooperative, especially with regard to purchasing conditions or calculation bases,
 - b) it relates to valuations for tax purposes or the amount of individual taxes,
 - c) providing the information is liable to prosecution or to constitute a breach of statutory, official, or contractual confidentiality,
 - d) the information desired relates to the personal or business affairs of a third party,
 - e) it concerns contractual arrangements with Executive Board members and employees of the Cooperative,
 - f) the reading of documents would lead to an unreasonable prolongation of the General Members' Meeting,
 24. The resolutions by the General Members' Meetings must be properly minuted in a timely fashion. The minutes should include the place and date of the meeting, the name of the meeting chairperson, the nature and result of the votes, and the declarations of the meeting chairperson with regard to the resolutions. The minutes must be signed by the meeting chairperson, the secretary and the members of the Executive Board who were present. The documents relating to the convening of the meeting and a list of the members present and representatives of members must be attached to the minutes as annexes. The number of votes exercised by every member present and representative of members must be recorded. The minutes and the related annexes of the General Members' Meetings are to be archived. All ordinary members of the Cooperative are to be permitted to read these.

8. Accounting

§28 The financial year and the annual financial statements

5 The financial year extends from 1 January to 31 December.

- 6 The Executive Board must ensure that the accounting and business organisation ensure the performance of the Cooperative's tasks.
- 7 After the end of each financial year, the Executive Board must prepare annual financial statements (balance sheet, income statement and notes). The annual financial statements must comply with the provisions of law on valuation and on the breakdown the balance sheet and income statement.
- 8 In addition to the annual financial statement the Executive Board must provide a status report.
- 9 After being prepared, the annual financial statement und the status report, as well as the proposal on the appropriation of the net income for the financial year or on the absorption of the net loss for the financial year, must be submitted to the Supervisory Board without delay and then, together with the Supervisory Board's comments to the General Members' Meeting that is held to adopt the annual financial statements.
- 10 The report of the Supervisory Board on its examination of the annual financial statements and the annual status report of the Executive Board as well as the report of the Supervisory Board must be made accessible for members to read at the latest one week before the General Members' Meetings in the corporate headquarter of the Cooperative or another appropriate location.
- 11 A resolution on the appropriation of the net income for the financial year or on the absorption of the net loss for the financial year must be submitted to the General Members' Meeting for adoption.

9. Reserves, Refund und Loss Coverage

§29 Reserves

1. A statutory reserve can be created, as far as a reserve is necessary to enable the Cooperative to sustainably fulfil its tax-privileged statutory purposes

§30 Repayment

1. The Cooperative's balance sheet profits will be added to its proprietary capital and cannot be distributed among the members.

§31 Absorption of the net loss for the financial year

If a net loss for the financial year is reported, the General Members' Meeting must resolve the absorption of the net loss, and in particular the extent to which the loss will be offset by utilising the reserves or by reducing the share capital of the Cooperative. If the share capital of the Cooperative is used to absorb the loss, the share of the loss is calculated on the basis of the ratio of compulsory payments in accordance with the Statutes at the beginning of the financial year for which the annual financial statements are prepared, even if these payments are still outstanding.

10. Notices

§32 Notices

1. The Cooperative's publications are published under its company name; they are to be signed by the Executive Board. Publications of the Supervisory Board will be published with the name of the Chairman of the Supervisory Board or his deputy.
2. Announcements will be made under the Cooperative's business name in the newspaper „taz“. Documents that are subject to disclosure will be published in the electronic Bundesanzeiger (Federal Gazette).

11. Auditing the Cooperative, auditing association

§33 Auditing the Cooperative, auditing association

1. In order to determine the Cooperative's financial position and the correctness of its management, its facilities, assets and management, including the maintenance of the list of members, must be audited in each financial year.
2. The Cooperative will be audited by the auditing association to which it belongs.
3. The Cooperative is a member of the Potsdamer Prüfungsverband e.V., 14974 Ludwigsfelde.
4. The Executive Board of the Cooperative must promptly submit to the auditing association the annual financial statements and the management report with the Supervisory Board's the comments and its report.
5. The Executive Board of the Cooperative must immediately send the Auditing Association the annual financial statement and status report adopted by the General Members' Meetings, as well as the comments of the Supervisory Board and its report.
6. The Executive Board and Supervisory Board shall discuss the result of the audit in a joint meeting immediately after the receipt of the audit report. The auditing association shall have the right to participate in the meeting. The Cooperative's corporate bodies must respond to the auditing association's reservations and fulfil its requirements.
7. The Auditing Association has the right to attend General Members' Meetings of the Cooperative as well as to take the floor. The Association is therefore to be invited to attend with adequate notice.

12. Liquidation and winding up

§34 Liquidation

1. The Cooperative will be wound up
 - a. By a resolution of a General Members' Meetings
 - b. the initiation of insolvency proceedings,
 - c. by the order of a court, should the number of members be less than three,
 - d. in further instances named in the Genossenschaftsgesetz (German Cooperative Act).
 2. In case of liquidation the regulations of the Genossenschaftsgesetz (German Cooperatives Act) apply.
 3. When distributing the Cooperative's assets the members receive no more than the capital holdings.
 4. Should the Cooperative be liquidated or should it lose its non-profit purpose, the Cooperative's assets, as far as they exceed the paid-up capital shares of the members and the nominal value of the assets contributed by them, shall be transferred to a legal entity under public law or another tax-privileged corporation for the purpose of supporting international understanding.
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