

STATUTES

Solid'Action Cooperative Enterprise Ltd (SCOP ARL) Cooperative Enterprise with Limited Liability

Preamble

The choice of the cooperative company is the adhesion to fundamental cooperative values :

- Superiority of the human being
- Democracy
- Solidarity and sharing

Further to these fundamental values, the cooperative identity is defined by the :

- Recognition of the dignity of work
- Individual non-profitability
- Right to training
- Right to creativity and initiative
- Responsibility in a shared project
- Transparency and legitimacy of power
- Sustainability of the company based on reserves
- Opening to the outside world

The choice of this cooperative company, in the full sense of the term, implies the implementation of the five following principles :

1st principle

Our cooperative company is mainly made of employed cooperators which are jointly developing their professional activities and their economic independence.

2nd principle

The organization and functioning of our cooperative company provide democracy in the workplace and management transparency.

3rd principle

In our cooperative, the pursuit of economic gain is subject to the promotion and development of the employed cooperators.

The distribution of the profit of our cooperative company ensures a share between the employees, the partnership share and the company's reserves.

4th principle

The common capital of our cooperative consists in indivisible reserves for the company's independence and solidary transmission to generations of cooperators.

5th principle

Membership of employed cooperators to our cooperative company, make them solidary members of the production cooperative enterprises movement.

Title I - Frame – Name – Duration – Objective – Headquarter

Article 1 Cooperative Company's Form

For the joint practise of the associates occupations, a production cooperative company with limited liability and variable capital has been created between the undersigned and the further associates, this cooperative is governed by :

- the herein statutes,
- the law of July 19th,1978 concerning the statutes of the production cooperative companies, as well as the decrees of application,
- the law of September 10th, 1947 concerning the cooperation,
- book II on the commercial law and especially art.L 231 and following of the commercial law related to companies with variable capital, art.L.223-1 and following of the commercial law as well as decree of March 23rd, 1967 on commercial companies.

Article 2 Cooperative Company's Name

The company's name is : SCOP Solid'Action

Production cooperative company with limited liabilities and variable capital.

Article 3 Duration

The company's duration is 99 years from the registration date to the Trade and Companies Register, except early dissolution or extension.

Article 4 Objective

The company aims to :

The consulting in project set-up, follow-up, training, support of every project leader in the field of local, social and responsible development and especially :

- support, training, consulting in the set-up, follow-up and evaluation of project, help to seek and diversify the financing of the players in local development and international solidarity,
- theoretical and practical training, support of everyone who wishes to be involved in the international solidarity,
- the connection of volunteers and responsible and solidary travellers with partners of the cooperative company (SCOP).

The company's participation, by all direct or indirect means, in all the operations related to its objective through the creation of new companies, new memberships or purchase of securities, mergers or otherwise, creation, acquisition, renting, leasing, management of all business assets or facilities, taking, acquiring, holding or disposing of any patents covering these processes and activities. And all related activities, directly or indirectly complementary, as well as all civil, commercial, industrial of real-estate or credit directly or indirectly useful to the realization of the social objective.

Article 5 Headquarter

The headquarter is located 4 impasse de Touraine 34110 FRONTIGNAN, France.

It may be transferred in the same department or in an adjacent department by decision of the manager, subject to ratification by the next general meeting of associates, and in any other department by decision of the meeting of shareholders with majority required for the statutes to be amended.

Title II – Share Capital

Article 6 Share Capital and Contribution

The initial share capital is of €5000 divided in 250 shares of €20.

The undersigned, whose names are following, are bringing to the company :

- Miss Sonia VIRIQUE, single, living 4 impasse de Touraine à Frontignan (34), France, born October 15th, 1974 in La TRONCHE (38), France, brings €2500 divided in 125 shares.
- Miss Audrey HEINRICH, single, living 79 rue Elsa Triolet 38920 CROLLES, France, born May 23rd, 1978 in Saint MARTIN d'HERES (38), France, brings €2000 divided in 100 shares.
- Mrs Madeleine VERNET-LAVASTRE, married under the joint estate system, living 1 rue des Gerfauts 34200 SETE, France, born January 23rd, 1971 in MARSEILLES (13), France, brings €500 divided in 25 shares, coming from the joint estate system with her husband Mr. Philippe LAVASTRE, born October 18th, 1971 in NÎMES (30), France, who was informed of this contribution beforehand by registered letter with recorded delivery received April 20th, 2010 with all necessary details on the purposes and practical operation of the cash contribution to this company planned by his wife. However, Mrs Madeleine VERNET- LAVASTRE will be the only one to be an associate.

That is to say a total of €5000, amount deposited May 17th, 2010 on the account of the company to be created in the Crédit Coopératif de Montpellier bank, as confirmed on the receipt issued by the depositary bank.

The capital is divided in €20 shares, fully subscribed, fully paid and distributed among the shareholders in proportion to their contributions.

Article 7 Capital Variability

The capital is variable. It can increase at anytime, either through new associates souscriptions or through new member associates.

It can decrease further to resignation, exclusion or death, or refunds as provided by law and the statutes and subject to the limitations and conditions laid by art.8 and 19.

Article 8 Minimum Capital

The share capital can't be lower than €2500 and the nominal value of share multiplied by the number of associates.

It can't be lowered, because of refunds, to less than the half of the higher capital from the creation of the cooperative company (SCOP).

The outside shareholders can't hold more than 49% of capital.

The return of capital is prohibited if, further to a formal charge of capital loss and correlatively to its decrease, the capital had to be lower than 50% of the highest capital since the creation of the cooperative company (Scop).

Title III – Partnership Shares and Equity Subscription

Article 9 Partnership Shares

The partnership shares are nominative and indivisible. The cooperative will recognize only one owner for each of them. They have the same value. They must be fully paid upon subscription.

No associate is expected to subscribe and release more than one share upon admission.

They can only be transferred to other shareholders, subject to prior approval by the manager.

Any subscription of shares gives place to the signature of a bulletin by the associate, and to the handing-over of a certificate of shares.

No associate can hold more than 50% of the partnership shares.

Their transfer can't reduce the number of shares held by an associate lower than the amount resulting from commitments which may be required because of these statutes.

Article 10 *Worker Associates Commitment to Subscription*

If the associate is linked to the cooperative by an employment contract or a social mandate, he commits himself to subscribe and release, every year, the shares for an amount equal to 3% of the gross compensation of the cooperative during the year.

This obligation will cease as soon as the total subscription has reached three times the amount of the last gross monthly salary of the associate.

However, the general meeting can, by duly justified deliberation taken at the beginning of the accounting period, set up the commitments as read in paragraph #1 to a lower amount. In the case of amicable liquidation, receivership or winding up of the cooperative, or in case of resignation, exclusion or death of an associate, him or his successors, would no longer be required to subscribe new shares.

Article 11 *Implementation of the Subscription Commitments*

For the implementation of the commitments of art.10, is deducted to each associate, on each pay he has received from the cooperative, a percentage equal that fixed in art.10, or a lower rate decided by the general meeting of shareholders.

At the end of each fiscal year, the shareholder subscribes to shares for an amount that equals the deductions allocated to full payment of the subscribed shares.

The associates may also carry out the commitment of subscription by repurchasing the shares of another associate. The sale is subject to the approval of the manager.

Article 12 *Other Subscriptions*

The capital may also increase :

12.1 Through complementary subscriptions of some of the cooperative's worker members

Immediately paid, either using of their rights on the distribution of profits or from a participation agreement, either assigning to the creation of new shares, decided by the annual general meeting, the distribution of benefit being allocated to the associates.

12.2 Through subscription of partnership shares reserved to employees

Decided by the ordinary general meeting which sets-up or puts the manager in charge of setting the conditions, including the seniority of the subscribers, of payment time and, if necessary, complementary payments of the cooperative.

12.3 Through membership and subscription to a corporate savings plan

When the assets of this funds are invested in cooperative partnership shares.

12.4 Through any cooperative worker – or not – member’s subscription

After approval by the manager.

12.5 Through every partnership shares purchased to an associate

After approval by the manager.

Article 13 Partnership shares cancellation

The shares of shareholders who have resigned, excluded or deceased, and those held by associates beyond the ceilings art.8 paragraph #2 and art.9 paragraph #5, are canceled.

The money they represent shall be treated as ordinary claims and refunded according to art.19.

The shares subject to the decision of refunding according to art.17 are also canceled.

Title IV – Membership Admission – Membership cancellation

Article 14 Associates

The associates are divided into two categories:

- The associates employed by the cooperative
- The associates not employed by the cooperative

The associates employed by the cooperative must permanently hold 51% of the capital and voting rights.

The external associates, that is to say, those whose membership was accepted whereas they were not and still are not employed by the cooperative can’t hold more than 35% of the voting rights. However, when these associates include cooperatives, the limit is increased to 49% without the associates rights, other than the cooperatives, may go beyond the limit of 35%.

No associate is required to subscribe and release more than one share on admission.

The obligations mentioned in art.10 start on the date of admission.

14.1 Cooperative’s worker associates

The cooperative must permanently include at least two employed associates.

14.2 Cooperative’s non-worker associates

In addition to its own workers, the cooperative may also accept cooperative associates non employed individuals, and corporations.

Article 15 Membership application and admission

Anyone wishing to be a member associate must submit an application to the manager.

15.1 Applicant with less than one year experience as a cooperative worker

When the applicant, employed by the cooperative, for less than one year when he applies, the manager can approve or reject the request. In case of approval, the application is submitted to the next ordinary general meeting.

15.2 Applicant with more than one year experience as a cooperative worker

The application of an employee with more than one year experience at the date of candidature, must be submitted to the next ordinary general meeting.

In both cases, the conditions of majority are those planned for the ordinary general meetings.

15.3 Partnership shares subscription reserved to employees and membership admission :

If the ordinary general meeting decides the issue of shares to be exclusively subscribed by employees, those of them who were not yet associates and who subscribe to individual shares in the conditions of the meeting, are fully accepted as associates. Their membership takes effect from the date of their subscription.

15.4 Non-cooperative member applicants

When the candidate is not employed by the cooperative, his candidature must be submitted to the manager who can approve it or reject it. In case of approval, the application is submitted to the next ordinary general meeting.

Article 16 Loss of the position of associate

The quality of associate is lost :

16.1 Through resignation

Notified in writing to the manager and takes immediate effect. If the resignation is given by a member employed by the cooperative, he will be a resigner upon notification of his resignation.

16.2 Unless otherwise decided by the board of associates, through resignation of the job held

Where appropriate, in the company, in this case, the loss of the quality of associate occurs on the date of notification of resignation.

16.3 Through dismissal for a real and serious reason

In this case, the loss of the quality of associate occurs on the date of notification of the dismissal (date of first presentation of the termination registered letter with recorded delivery).

16.4 Through associate's death

16.5 Through general meeting's decision according to art.17

Ruling in the conditions of ordinary majority to make an associate not employed by the cooperative lose his quality of associate.

16.6 Through exclusion, according to the conditions of art.18

16.7 Subject to art.17, the departure or retirement

Dismissal for economic reasons and disability making the interested party inapt for work, do not involve the loss of the quality of associate.

The provisions above do not obstruct those of art.8.

Article 17 *Non-employed associates*

The meeting of shareholders may, at any time, decide to make lose the quality of associate to a non employed associate. The shares are then cancelled and refunded under the conditions of art.19-1, 19.3 and 19-4.

Article 18 *Exclusion – resignation as of right*

The general meeting ruling under the conditions of majority planned for the extraordinary decisions can still exclude a shareholder who has caused a material or moral harm to the cooperative. The fact which involves the exclusion is noted by the manager, entitled to request any supporting evidence to the person concerned.

A special convocation of the meeting shall be addressed to him so that he could present his defence. Subject to the provisions of art.44, the meeting freely appreciates the existence of the damage. The loss of the quality of associate happens, in this case, at the date of the meeting which pronounces the exclusion.

The associate who has delayed for more than six months the implementation of his commitments under art.10, is legally considered as having resigned three months after being invited to put things in order by registered letter with recorded delivery, if he hasn't rectified within that time.

The full resignation takes effect automatically 3 months after sending the letter. If it interests an associate employed by the cooperative, this latter must be informed that the provisions of art.16.1. automatically apply.

Article 19 *Repayment of former associates shares and partial refunds of the associates*

19.1 Amount to be repaid

The amount of capital to be repaid to the shareholders as provided in art.16 ,17 and 18 is decided at the end of the fiscal year when the loss of the capacity of associate happened. The shareholders are entitled to the reimbursement of the nominal amount of their shares, minus any loss occurred at the closing date of the fiscal year. The value of refunding is in art.40.

19.2 Losses occurring within a period of five years

If losses occur within a period of five years following the loss of the quality of associate, the capital value would be reduced proportionately to these losses.

If all or part of the shares of the former associate have already been refunded, the cooperative is entitled to ask for repayment of the overpaid amount.

19.3 Chronological order

Refundings take place in the chronological order according to when the loss of the quality of associate was recorded.

19.4 Refunds suspension

Refunds can't reduce the capital to a lower amount than the minimum required in art.8. In this case, the cancellation and the refunding of the shares are carried out only up to new subscriptions to maintain the capital to at least this minimum.

The former associate whose partnership shares cannot be cancelled, becomes holder of capital without voting rights. He does not take part in the meetings of associates.

19.5 Refunds deadline

The former associates cannot require, before a period of 5 years, the payment of the remaining amounts due on the refunding of their shares, subject to the provisions of art.19-4.

The amount due to the former associates acts on the rate set by the meeting of associates and which can't be lower than the rate of the livret A of the Caisse d'Epargne on December 31st of the previous fiscal year.

The meeting of associates can decide advance payments.

19.6 Partial refunds

The partial refunds requested by the associates are subjected to prior approval by the meeting of associates ruling in the ordinary majority.

Partial refunds can only relate to the share of capital exceeding the statutory commitment of subscription.

The partnership shares subscribed within the framework of the salary savings are refundable, under the legal conditions on request.

The foregoing paragraphs of this section apply to partial refunding.

19.7 Heirs and beneficiaries

This article shall apply to the heirs and successors of the deceased.

Article 20 Obligations of former associates

Except express agreement of the meeting of associates, any associate must not, during the period when he is part of the cooperative and for a period of 2 years from the date of his departure, create, manage, operate, directly or indirectly, on the French territory of the head-office and/or any permanent establishment, a company with, in whole or part, the same purpose as the cooperative, under penalty of paying damages to the latter.

Title V - Administration and control

Article 21 Management

The cooperative is managed by one or more managers (individuals) chosen under secret ballot.

The first manager of the company is Miss Sonia VIRIQUE.

The manager is nominated by a majority of total votes on 1st convocation and in the majority of the votes of the present or represented associates on 2nd convocation.

Her functions will expire at the end of the third financial year subject to the option of re-election as provided below.

Article 22 Obligations and rights of the managers

They must be associates, two-thirds must be company employees. In case of a single manager he must work in the company.

If they have no employment contract with the cooperative, or if, because of their mandate, they can not carry out the functions of their employment contract, the managers receiving a remuneration under their functions are considered, according to the law on cooperative companies, as employees of the cooperative according to these statutes and for the application of labour and social security legislation.

Article 23 Duration of the functions

23.1 Nomination

The managers are nominated by the shareholders for 4 years. The nomination is voted at the majority of total votes on 1st convocation and in the majority of the votes of the present or represented associates on 2nd convocation

They are re-eligible and revocable.

23.2 Revocation

The revocation is pronounced at the majority of total votes on 1st convocation and in the majority of the votes of the present or represented associates on 2nd convocation.

Article 24 Supervisory Board

If the number of associates is higher than 20, a supervisory board is created, the meeting of associates being called for this purpose, in the shortest possible time by the manager.

The supervisory board is composed of at least 3 members and 9 members at a maximum, nominated by the shareholders' meeting and within a period of 4 years. The operating rules will be determined by resolution of the general meeting ruling in the ordinary form. The resolution of the general meeting will have value of appendix to the present statutes.

The functions of manager and member of the supervisory board are incompatible.

The members of the supervisory board may be reelected. They can be removed at any time by the shareholders' meeting, although the issue has not been placed on the agenda.

Article 25 Manager(s)'s powers

The manager has all the necessary powers to act in all circumstances on behalf of the cooperative within the limits of its purposes under the reserve powers of the shareholders' meeting by law and the statutes.

In case of plurality of managers, each manager has full powers.

Article 26 Supervisory Board's power

The supervisory board has permanent control over the management of the company by the managers.

At any time of year, it operates, checks and controls what it considers convenient and may request any document useful to fulfil its mission, or ask the manager a report on the situation of the company.

It submits report on the management of the company to the meeting of associates.

The members of the supervisory board are not involved in the management. They are not responsible for the management, except personal misconduct.

Article 27 Cooperative audit

27.1 Periodicity

The cooperative will proceed every year, to the cooperative audit envisaged by law 84-1027 of November 23rd, 1984 amended by decree 88-245 of March 10th, 1988 and which content has been determined by a decree in March 19th, 1989.

Furthermore, the cooperative audit will have to be done without delay if :

- it is required by the 1/10e of the associates
- three consecutive financial years reveal accounting losses
- the losses of a fiscal year amount to at least half the amount achieved by the highest capital

27.2 Audit report

The report drawn up by the cooperative auditor will be at the disposal of associates during two weeks before the date of the ordinary general meeting. The report will be read at the AGM or an extraordinary AGM, either by the auditor, if present, either by the chairman.

The general meeting will take note of the audit report in a resolution.

27.3 Audit on associates request

If the audit operation is started on request of the 1/10e of the associates, an ordinary general meeting will be called as extraordinary within 30 days after the date on which the auditor has submitted its report to the company.

In this case, the manager must report on the situation of the company.

Title VI – Board of associates

Article 28 Common provisions to the various meetings

The associates meet in meetings to make either ordinary or extraordinary decisions. Under no circumstances, the meetings can be replaced by written consultations.

28.1 Composition

The general meeting consists in all associates including those admitted under art.15 as soon as they have been admitted as associates.

It meets at least once a year in the head-office or any other location specified by the letter of convocation.

28.2 Convocation

The associates are called by the manager, or failing that, by the external auditor, by registered letter to the associates two weeks before the date of meeting.

28.3 Meeting place

The convocations must indicate the location of the meeting.

This may be the head of the company or other premises located in the same city, or any other suitable place for this meeting, since the choice which is made by the manager has no purpose or effect of disturbing the meeting of shareholders.

28.4 Agenda

The agenda shall be adopted by the author of the convocation. One or several shareholders representing at least 5% of voting rights may request, between the 15th and 5th day before the date of the meeting, to add resolution projects to the agenda.

In this case, the outlet manager shall submit by registered letter a corrected agenda to all shareholders

The meeting can only deliberate on issues brought to the agenda. However, it can always be proceeded to the revocation of the manager even if the question wasn't in the agenda.

28.5 Attendance sheet

An attendance sheet is set-up with the names, first names and residences of the associates and the number of shares held by each of them. It is signed by all present shareholders, both on their behalf and on those they represent.

28.6 Board

The meeting is chaired by the manager who will be able, if he considers it useful, to appoint a secretary among the shareholders or not.

28.7 Vote

The nomination of managers is held by secret ballot. For all other issues, it is voted by show of hands, unless the majority of the meeting decides otherwise.

28.8 Minutes

The deliberations of general meetings are recorded in the minutes recorded in a special register and signed by the manager.

Article 29 Voting rights

Each shareholder is entitled to one vote in all meetings.

The voting right of each associate who would not have fulfilled his commitments according to art. 10, is suspended 30 days after injunction by the manager, and will resume when the commitments of art.10 are fulfilled.

Article 30 Powers

An associate unable to personally attend the general meeting may be represented by another shareholder. Only one power by associate can be assigned, if the cooperative company (Scop) consists in less than 20 members and such number, that no associate can have, in addition to his own vote, a number of votes exceeding the twentieth of shareholders when there are 20 members or more.

Article 31 Deliberations

31.1 Ordinary decisions

- **First consultation :**

Quorum : no quorum is required

Majority : decisions of the meeting of shareholders shall be taken by a majority representing more than 50% of the total number of associates.

- **Second consultation**

If the first meeting could not decide under the conditions fixed at the first subparagraph, a second meeting is held and the decisions will be made in the majority of the present or represented associates.

Decisions regarding the revocation of the manager are always taken by an absolute majority of all members and by secret ballot.

31.2 Extraordinary decisions

- **First consultation**

Quorum : ¾ of the total voting rights

Majority : 3/4 of the total voting rights of present or represented associates.

- **Second consultation**

Quorum : ½ of the total voting rights

Majority : 3/4 of the total voting rights of present or represented associates.

Amendments to the statutes shall be decided by a majority representing three quarters of the total voting rights of present or represented associates.

Article 32 Competence of the ordinary meeting

The annual ordinary meeting of shareholders, if necessary called extraordinarily, to address issues which solution does not suffer waiting for the next annual meeting :

- set-up the general guidelines of the cooperative
- decide, in accordance with the statutes, the admission of members
- nominate the manager, control its management and revokes him
- if necessary, nominate and dismiss members of the supervisory board
- approve the agreements between the cooperative and associates
- approve or amend the accounts
- valid issued participatory securities
- ratify the distribution of profits in accordance with the provisions of art.37 may decide to convert into shares the distributions attributable to shareholders
- discuss any matters brought to the agenda

Article 33 Competence of the extraordinary meeting

The meeting of shareholders may decide to exclude a shareholder in the conditions of art.18.

It may amend the statutes in accordance with art.31.2, but can not increase the liabilities of shareholders, except the commitment of capital subscription expressly provided by law, art.10 and 11.

Title VII - Social accounts – Distribution of the profits

Article 34 Financial year

The year begins January 1st and ends December 31st.

Exceptionally, the first fiscal year will begin from the date of start of activity on September 1st, 2010 and ends December 31st, 2011.

Article 35 Financial documents

The balance sheet, income statement and the schedule of the cooperative are established by the manager and submitted to the annual general meeting.

Article 36 Net surplus

36.1 Applicable texts

All business and accounting laws apply, especially art.L123-12 to L123-24 of the commercial code and decree 83-1020 of November 29th,1983.

36.2 Result

The result appears in the balance sheet account. It consists in the products of the fiscal year, including exceptional items and prior years and less expenses, depreciation, provisions, exceptional losses, losses on prior years and tax.

36.3 Management surplus

To determine the net surplus from management account results :

- deduct the previous deferred deficits.

- add the previous deferred profits, deduct net capital gains resulting from the disposal of fixed assets or revaluation of fixed assets, which amount after payment of tax at reduced rate is transferred to the reserve.
- deduct the amount of the investment allowance when it was formed by allowance to one special heading, finalizing the sixth year and reinstated to the account at the end of this period.

36.4 Revaluation of balance

On revaluation of balance sheet, the recorded variation does not enter neither in the income statement, nor in the net surplus management.

Article 37 Distribution of net surplus

The allocation decision is taken by the manager before the end of the financial year and communicated to the shareholders at the AGM. It is ratified by the next general meeting. The manager and the meeting must respect the following rules :

37.1 Legal reserve

15% are assigned to the legal reserve receiving this grant until it equals the highest level reached by the capital.

37.2 Development fund

The development funds must be provided each year.

37.3 Refund for employees

It will be assigned to all workers employed in the cooperative, either or not associate, and with at the end of the fiscal year, three months of presence in the fiscal year, or six months in the cooperative, a percentage of the net surpluses of at least 25%. The rights of the recipients on this distribution are established in proportion to the working time for the first half and the wages for other half.

37.4 Interests in partnership shares

Interest in shares will not be awarded.

Article 38 Participation agreement

38.1 Legal option

If it there was an agreement for employee participation in the benefits of the expansion of the company :

- attribution to the workers can, under the terms of this agreement, be affected in whole or part to the special reserve of employee profit sharing, in this case, it is subject to distribution rules, use and unavailability envisaged in the agreement
- allocations made on the results of a fiscal year, to the statutory reserve and the development funds, are considered to be investment allowances (PPI) that the cooperative can create and equal to the participation of the employees on the same financial results.

38.2 Accounting of the special participation reserve

If the cooperative uses the possibilities mentioned above, the following rules of accounting will apply :

- The special reserve and the PPI reserve will be counted before determining the result to which they belong

- The income statement shall be subdivided to separately show the amount of the special reserve and the amount of the statutory reserve and development fund or PPI
- The special reserve and PPI will be deducted from taxable income at the closing of the accounts for the year (chart 2058 AN various deductions)
- The tax forms will include additional information as said in the letter of the service of the tax legislation to the confederation of the cooperative companies (SCOP) in October 1st, 1987.

Article 39 ***Distribution to new shares creation and compensation***

The meeting of shareholders, under the conditions laid for the ordinary decisions, may decide that the distributions to the capital and labor allocated to the associates and that have not been assigned as appropriate, execution of statutory underwriting commitments provided to art.10 and 11, are used, in whole or part, to the creation of new shares.

Article 40 ***Non-sharing of the reserves***

Regardless of their origin or their name, the reserves could not be incorporated into capital and lead to the creation of new shares or to the increase of the face value of the shares, nor be used to release the shares subscribed, nor be distributed, directly or indirectly, during or after the cooperative, to partners or employees thereof, or to their heirs and successors.

For the calculation of the value of refunding of the share as envisaged in art.19, it was agreed that the losses are deducted in part from statutory reserves and partly from capital.

The statutory reserves mainly consist in development funds.

The allocation of losses that occur at the end of the year will be partly on the capital and in part on statutory reserves as said in the second paragraph.

The percentage of losses to be charged to the capital equals the ratio of capital divided by capital plus statutory reserves on the first day of the financial year.

Title VIII - Dissolution - Liquidation - Contestations

Article 41 ***Loss of half of the share capital***

If due to the losses recorded in the accounting records, net assets fall below half of the share capital, the manager shall call the meeting of associates, to decide to pronounce the dissolution of the cooperative or continue the activity. The resolution of the meeting is made public.

Article 42 ***Expiry of the cooperative - dissolution***

At the end of the cooperative or in case of dissolution, the general meeting rules the liquidation in accordance with the law, and shall nominate one or more official receiver.

At the end of the liabilities, payment of liquidation expenses and if necessary, deferred distributions, the shareholders are entitled to a refund of the nominal value of their shares, minus, if any, the unpaid portion.

Article 43 ***Membership to the general confederation of the cooperative companies***

The company is member of the general confederation of the cooperative companies (Scop), association governed by the law of July 1st, 1901 with headquarters in Paris 17^{ème}, 37 rue Jean Leclaire, responsible for representing the cooperative movement and defend its interests, to the regional union of the cooperative companies (Scop) territorially competent and professional federation ruling the company.

Article 44 *Arbitration*

Any dispute which may arise during the lifetime of the cooperative or its liquidation, either between associates or former associates, or between the cooperative and another cooperative company, for social affairs, including the application of these statutes and everything that follows, as well as on all business transactions between the cooperative and its shareholders or former shareholders or another cooperative, will be submitted to arbitration of the cooperative companies general confederation. The arbitration rules is given to the parties at the opening of the procedure.

Arbitration awards are binding, unless appealed before courts.

Article 45 *Profit of liquidation*

The winding-up bonus will be awarded to the cooperative compagnie general confederation or, on proposal of the latter, to one or several cooperative companies, to a union or federation of cooperatives or a local authority.

Title IX - Acts on behalf of the company to be created

Article 46 *Enjoyment of the legal personality of the company - registration with the trade register - advertisement - powers*

According to the law, the company will have legal personality from the date of its registration in the register of trade.

The manager of the company is required, at once, to fill all the formalities necessary so that this registration is accomplished within the shortest times.

It has been done, before this date, by Miss Sonia VIRIQUE, on behalf of the company the acts set out in a state annexed hereto indicating for each the commitment that will result to the company.

The undersigned declare they approve these commitments and the signature of the statutes will mean the resumption of the commitments.

The undersigned agree on that, until the company has acquired legal personality, acts and commitments within the objective will be made or subscribed by Miss Sonia VIRIQUE called to be manager.

If this condition is met, it will fully gain then agreed by the company, when it is registered in the trade register, such acts or commitments which will be said having been subscribed at the origin of the company.

From now on, the undersigned agree on the immediate realization, on behalf of the company, acts and commitments considered urgent and in social interest.

All powers are given to Miss Sonia VIRIQUE manager of the company, to implement this decision and achieve the planned operations. To this end, make and execute all acts, execute all commitments and generally do everything necessary.



www.solidaction.coop
contact@solidaction.coop

*Supports and Assists
Sustainable Development
Actions*

Article 47 Expenses

All expenses, rights and fees resulting of this act and its continuations will fall jointly and solidary to the undersigned, in proportion to their contributions, until the company is registered with the company and trade register.

From its registration, they will be entirely taken charges some by the company which will have to deaden them before any distribution of benefit, and at the latest within the five years deadline.