

§ 1 Name, registered office and financial year

- (1) The Association shall bear the name "Branchenverband Cannabiswirtschaft e. V."(BvCW).
- (2) The registered office of the Association shall be Berlin. It shall be entered in the local register of associations.
- (3) The financial year shall be the calendar year.

§ 2 Purpose and objectives of the Association

- (1) The Association is a voluntary association of production, trade and service companies and all sectors, areas and branches of the legally permitted cannabis industry in Germany. The purpose of the Association is to act on behalf of its members on a national and international level. The Association represents the direct interests of its members.
- (2) The objectives of the Association are:
 - a) to create and secure fair competitive conditions on the market for legal cannabis products in Germany,
 - b) to promote the research and economic activities of its members in the areas listed in paragraph 1,
 - c) to foster cooperation between its members and other national and international branches of the cannabis industry,
 - d) to promote the liberalization of the market for legal cannabis products and quality standards, in particular for production, service and distribution,
 - e) to combat unfair competition in all areas of cultivation, production and distribution of cannabis products.

§ 3 Tasks of the Association

- (1) In order to achieve the objectives described in § 2, the Association has the following tasks in particular:
 - a) to develop and coordinate the common interests of the "ordinary" members in the aforementioned fields,
 - b) to promote the economic activities of the members in the market,
 - c) to promote the exchange of experience and information with regard to research and development in the aforementioned fields,
 - d) to present a common front to the public, national and international authorities, governments and legislators, in particular the supervisory and regulatory authorities responsible for cannabis products in Germany and German and EU competition authorities, EU bodies, other associations and other institutions,
 - e) to issue publications and communications for members, their employees and the public on all relevant legal and industry-specific topics using print and online media,
 - f) organizing conferences, discussions, education and training events and measures, as well as other group-beneficial service
 - (g) the promotion of commercial interests within the meaning of the provisions of competition-related laws regulating the right to sue, with the aim of promoting fair business dealings and fair economic competition and, where applicable, in cooperation with the competent authorities of the to combat unfair, market-distorting, intellectual property-distorting and anti-competitive measures in cooperation with the competent judicial authorities. The Association may also pursue this purpose in and out of court outside the Federal Republic of Germany, conduct civil proceedings, file criminal complaints and bring criminal charges.
- (3) Within the scope of its statutory remit, the Association may provide individual services and consulting services for a fee through service companies for its members or for the members of the associations or institutions belonging to it and conclude framework agreements with trade fair companies and cooperation partners for the benefit of its members.
- (4) The activities of the association shall be organized and structured in such a way as to ensure that the member companies or employers of members, in particular if they are in competition with each other, are not influenced in their market behavior or are not able to influence each other through their intended behavior on the market. Information on current market data such as prices, discounts, margins and sales volumes as well as cost components, customer and supplier relationships, capacities and capacity utilization, planned investments or projects in the area of research and development, planned product launches and information on the organizational structure, insofar as the latter is

cost-relevant, may not be exchanged.

- (5) Integrity is a foundation of all activities of the association and its members; an essential component is compliance with laws, respect for basic ethical values and sustainable action. These guidelines are the benchmark for the Association and its members; they oblige the Association to respect and safeguard human and employee rights, to protect the environment and to fight against corruption.
- (6) The Association processes the personal data of its members or former members and of persons who have contact with it in relation with the purpose of its activities on the basis of the statutory provisions and within the framework of data protection regulations, which specify further details and inform the data subjects of their rights. The data protection regulations shall be adopted by the Executive Board and made known to the persons concerned in a suitable manner, in particular by making them available on the Internet.
- (7) The Association is selfless and non-partisan; it does not primarily pursue its own economic purposes. The Association's funds may only be used for the purposes set out in the Articles of Association. Members shall not receive any profit shares or, in their capacity as members, any other benefits from the Association's funds. No person may benefit from expenses that are alien to the purpose of the association or from disproportionately high remuneration.

§ Section 4 Membership

- (1) Membership is voluntary.
- (2) Any manufacturer, trader or service provider of legal cannabis products operating on the German market may become a "full" member, as well as any company from the entire value chain that is directly or indirectly involved in the production, trade or provision of services for or with cannabis on the legal market and is not only predominantly active in an advisory capacity for other companies.
- (3) A company that is not a company within the meaning of para. 2, sentence 1, but controls such a company within the meaning of Section 17 AktG or forms a group with it, may become a full member if it primarily pursues the purpose of promoting the business success of these companies.
- (4) Natural persons and legal entities as well as joint partnerships that do not fall under the regulation in para. 2 or para. 3, but are active in the field of the cannabis industry in related areas of interest, in particular in the professional consulting of regular members or third parties, may become associate members upon application, insofar as this promotes the interests of the association. If the qualification criteria for ordinary membership cease to apply, this shall be converted into associate membership at the beginning of the following calendar year.
- (5) Natural persons and companies who are scientifically active in the cannabis industry or in related fields of interest may be admitted to the Association as supporting members. The Executive Committee shall decide on the amount of the membership fee on a case-by-case basis.
- (6) The General Assembly may appoint natural persons as honorary members. These do not owe a fee and have no voting rights. Rights and obligations arising from ordinary membership are not affected by this.

§ Section 5 Applications for membership

- (1) Applications for membership must be submitted in writing to the association's office. The Presidium shall decide on admission at the suggestion of the management. In the event of rejection, the applicant shall be informed in writing. An appeal against a negative decision may be lodged in writing within one month of receipt, which shall be decided by the General Meeting at the next ordinary meeting. The appeal decision will be sent in writing. There is no entitlement to membership.
- (2) Membership is not transferable.

§ Section 6 Rights and duties of members

- (1) All ordinary members have equal rights. Only ordinary members are entitled to vote and stand for election and may submit proposals for the election of members of the Executive Committee. Each voting member has one or more voting rights. Voting rights are based on the amount of the membership fee. One voting right corresponds to the minimum membership fee. A further voting right can be acquired if at least two and a half times the minimum contribution is paid and a further voting right if at least seven and a half times the minimum contribution is paid. However, no member may acquire more than three votes and send more than three voting representatives to the General Meeting. The amount of the contribution is determined by the General Meeting and may vary for individual members or groups of members. The right to vote and be elected shall lapse if the member has not met its contribution obligations.
- (2) Members shall have the following rights:
 - a) to participate in the general meetings and to submit motions there.
 - b) to request information, advice and assistance from the Association within the scope of its possibilities in matters that lie within its competence.
 - c) Members may delegate owners, board members, managing directors, supervisory board members and permanent employees to working groups and other types of committees and subdivisions in accordance with the contribution regulations and/or rules of procedure of the respective committee. The work results developed in the Association's committees shall be made available to the Association. The latter shall receive an irrevocable, simple, perpetual, royalty-free, worldwide, transferable, sublicensable right to use all of these work results for the purposes and tasks specified in § 2 and § 3.
- (3) Members shall have the following obligations:
 - a) to support the Association in achieving its objectives,
 - b) to support the resolutions adopted as far as possible and to promote their implementation,
 - c) to pay the fixed contributions when they fall due. If the member is in arrears with the payment of dues, the Association shall be entitled to claim interest on arrears and, if applicable, damages in accordance with the statutory provisions.

§ Section 7 Termination of membership

- (1) Each member may terminate its membership by sending a registered letter to the Association's office with three months' notice to the end of the year.
- (2) Membership shall expire immediately if the conditions for membership cease to apply, if insolvency proceedings are initiated against the member's assets or if the Association is dissolved. In the event that insolvency proceedings are initiated against a member, membership may be maintained for the duration of the insolvency proceedings with the consent of the Executive Board.
- (3) The exclusion of a member with immediate effect may be decided by the Executive Board with a 3/4 majority if there is good cause. In particular, the following shall be deemed to constitute good cause:
 - a) Gross or repeated violations of the Articles of Association,
 - b) Serious violation of the common interests of the members or the interests of the Association,
 - c) non-payment of dues despite two reminders.
- (4) The member concerned may lodge an appeal against the expulsion in writing or for the record at the Association's office within four weeks. The decision on the appeal shall be made by the next ordinary general meeting with a majority of 2/3 of the votes cast.
- (5) Termination of membership shall not release the member from the fulfillment of obligations already incurred towards the Association. All rights to the Association's assets shall expire upon termination.

§ Section 8 Bodies of the AssociationThe bodies of the Association are:

- a) the General Meeting,
- b) the Executive Committee,
- c) the Management Board.

§ Section 9 General Assembly of Members

- (1) The ordinary General Assembly of Members shall meet at least once a year.
- (2) An extraordinary General Assembly of Members shall be convened if at least 1/4 of the ordinary members or two members of the Executive Committee so request.
- (3) The General Assembly of Members shall be convened by the Managing Director by written invitation to the members, stating the agenda. For the ordinary General Meeting, the invitation must be sent out at least four weeks before the date of the meeting. For an extraordinary general meeting, the invitation must be sent out at least eight days before the date of the meeting. Timely dispatch to the last e-mail address provided by the member is sufficient for proper delivery, including in all other matters relating to the association.
- (4) Any ordinary member may submit additions to the agenda and motions in writing to the office no later than one week before the date of the meeting. The office shall forward the additions to all members without delay. Written and oral motions that are not submitted with the agenda have been announced or submitted by a member in due time, can only be discussed and voted on if more than half of the members present or represented so request. The agenda may be extended if 2/3 of the members present or represented so decide.
- (5) The President or another member of the Executive Committee is responsible for chairing the General Meeting. It may be transferred to the Managing Director or the Association's legal advisor by resolution of the General Meeting.
- (6) The General Meeting has the following powers in particular:
 - a) Election of the Executive Committee
 - b) Dismissal of members of the Executive Committee
 - c) Acceptance of the report of the Executive Committee
 - d) Discharge of the Executive Committees
 - e) Decision on the amount of membership fees by adopting the membership fee regulations and on special levies
 - f) Adoption of the annual budget and the annual financial statements of the association
 - g) Deciding on rules of procedure, in particular election, meeting and arbitration rules
 - h) Resolution on amendments to the Articles of Association
- (7) Insofar as no other majority requirement is stipulated in these Articles of Association, resolutions of the General Meeting shall be passed by a simple majority of the votes cast. Abstentions count as votes not cast for all majority decisions. In the event of a tie, a motion shall be deemed to have been rejected.
- (8) Resolutions on amendments to the Articles of Association and Rules of Procedure are passed by the General Meeting with 2/3 of the votes cast. The General Meeting has a quorum for this purpose if the motion to amend the Articles of Association or Rules of Procedure was communicated in writing when the meeting was convened.
- (9) Ordinary members may be represented by a legal representative, an authorized signatory, an employee authorized in writing or another member authorized in writing. A member may not represent more than three other members at the same time.
- (10) Elections and votes are always open unless at least 10% of those present and entitled to vote request a secret ballot or election. In other matters, the chairman of the meeting shall determine the type of voting unless the majority demands a different voting procedure.
- (11) Minutes shall be taken of the General Meeting, which shall be signed by the chairman of the meeting and the keeper of the minutes elected by the General Meeting.

§ Section 10 Executive Committee

- (1) The Executive Committee consists of a President, two Vice Presidents and up to ten other members of the Executive Committee. The President and Vice Presidents form the Executive Board within the meaning of Section 26 of the German Civil Code (BGB) (Board of Representatives).
- (2) The Executive Board must have a balanced representation of the business models available in the Association. In particular, the following markets, sectors or business models shall be taken into account: industrial hemp, medicinal hemp, cannabidiol (CBD), technology, trade & services and other markets, sectors or industries, insofar as the Executive Committee has set up working groups for these.
- (3) The term of office of the members of the Executive Committee shall be two years. Members of the Executive Committee may be re-elected several times.
- (4) To be eligible for election, members of the Executive Committee must hold an executive or active position within the supervisory bodies of one of the ordinary members. The eligibility requirements are also met if the function title of the Executive Committee member indicates externally that a function of equal rank to management is exercised, in particular with regard to the authority to issue instructions in the member's company. Each member may only have one representative on the Executive Committee.
- (5) Taking into account the requirements for balance in paragraph 2, the Executive Committee shall submit a proposal for the composition of the future Executive Committee to the members no later than 14 days before the General Assembly. The ordinary members may make alternative election proposals for the individual candidates proposed by the Presidium up to the General Assembly.
- (6) The members of the Presidium shall carry out their work on an honorary basis for the Association and personally. Substitution or delegation is excluded. The Executive Committee shall decide on the reimbursement of travel expenses on a case-by-case basis.
- (7) Appointment to the Executive Committee shall end upon expiry of the term of office, dismissal by the General Meeting, resignation of the mandate by written notification to the office or if the eligibility requirement specified in paragraph 4 ceases to apply. If the appointment of a member of the Executive Committee ends, a new member of the Executive Committee must be elected at the next ordinary General Meeting for the remaining term of office of the Executive Committee. If there is a period of more than 8 weeks between the termination and the date of the next General Assembly, the Presidium may elect a replacement member for the vacant position until the next ordinary General Assembly.
- (8) If a member leaves the Association, all persons belonging to this member shall leave the Presidium and other Association bodies. The same shall apply if a person on the Executive Committee or another Association body no longer belongs to a member.
- (9) The Association shall be jointly represented in all judicial and extrajudicial matters by two of the members of the Board of Representatives.
- (10) Active litigation by the Association shall require a resolution by the Executive Committee. Exceptions to this are the judicial collection of outstanding membership fees and labor court disputes, which the management can undertake in the course of general business operations.
- (11) The Executive Committee is responsible for all tasks unless they are assigned to another body by the Articles of Association. It discusses association issues and is responsible for voting on them. The President - or the Vice President if he is unable to attend - is responsible for representing and communicating the interests of the members to the outside world. The Executive Committee regularly informs the members about its work. This applies in particular to the association's public relations work and the current and future focal points of its work.
- (12) The Executive Committee may set up working and project groups and appoint advisory boards to support the fulfillment of its tasks. It shall set up permanent working groups to advise on the topics of industrial hemp, medicinal hemp, cannabidiol (CBD), technology, trade & services and, if applicable, other markets, sectors or business models.

The Presidium shall decide on its composition and working methods by means of rules of procedure.

- (13) At the proposal of the President, the Presidium shall appoint a registered lawyer as legal advisor, who shall advise the Association and its bodies on its association law matters for the duration of the Presidium's term of office and represent the Association on the basis of a separate legal agreement.
- (14) The Presidium shall meet at least twice a year. Minutes shall be taken of the non-public meetings by a secretary to be appointed by the Executive Committee. The minutes may be inspected by the members at the General Meeting.
- (15) The Executive Committee shall pass its resolutions at meetings, which may also be held by telephone conference, by a simple majority of the votes cast by those entitled to vote. In the event of a tie, the vote of the chairperson of the meeting shall be decisive. Invitations to meetings are issued by the President or, if he is unable to attend, by the Executive Vice President or the Managing Director. They also chair the meetings in the same order of precedence, unless a majority of the participants appoint another member of the Executive Committee to chair the meeting. The Executive Committee and the full Executive Board shall constitute a quorum if they have been invited to the meeting in good time in writing by letter or email and the agenda items to be voted on have been communicated at least three days in advance. Except in urgent cases, meetings should be convened with at least two weeks' notice. Outside of meetings, resolutions may be passed in writing or electronically if none of the members entitled to vote object to the proposed resolution.

§ Section 11 Management

- (1) The Association shall maintain an office for the management of day-to-day business.
- (2) The Executive Committee shall appoint a full-time management team, which shall be responsible for managing the business as a special representative within the meaning of Section 30 of the German Civil Code (BGB) within the framework of a contractual agreement. §30 BGB (German Civil Code) and who is subordinate to the Board of Representatives. Early dismissal of the management requires the unanimous approval of the Executive Committee.
- (3) The Managing Director is responsible to the Executive Committee and the General Assembly. He must implement the resolutions of the Executive Committee and the General Assembly and submit suitable measures to the Executive Committee to achieve the Association's objectives. The Managing Director should participate in all meetings and negotiations of the Association. He has the right to participate in meetings of the individual Association bodies.
- (4) In important administrative matters which are to be submitted to the General Meeting for a decision, but which cannot be dealt with until such a meeting has been convened, the Managing Director is entitled to act provisionally without express authorization. He is obliged to inform the Presidium of this immediately in writing and to report back at the following General Meeting.
- (5) Further details on the management of the Association may be regulated in rules of procedure to be adopted by the Presidium.

§ 12 Association work/working groups

With the aim of promoting the formation of opinions within the association, the Executive Committee convenes permanent working groups in accordance with Section 10 (3) of the Articles of Association and, if necessary, further working groups on current important topics. In principle, all ordinary members are entitled to participate in the meetings of the working groups and working parties. The Executive Committee can decide on more detailed regulations for the work in the working groups and working parties as well as on the participation of associate members and supporting members in association events.

§ 13 Membership fees

- (1) The amount of the membership fees, their due date and other provisions shall be regulated in a membership fee sche-

dule to be adopted by the General Meeting. The membership fee regulations and any amendments thereto shall be adopted by the General Assembly of Members on the proposal of the Executive Committee by a majority of the votes cast. Contributions may be amended with effect at the earliest for the financial year following the meeting adopting the resolution.

(2) The allocation of special expenses requires a separate agreement in each individual case.

§ 14 Accounting

(1) The Association's income and expenditure shall be accurately recorded by the management.

(2) The accounting shall consist of a balance sheet and an income and expenditure report.

(3) The Association's expenditure and accounting shall be audited by two cash auditors to be proposed by the Executive Committee and confirmed by the General Meeting, who shall report to the General Meeting. If the General Meeting agrees to this by a majority, a tax consultant may be appointed to audit the accounts or an auditor may be appointed to audit the cash register at the proposal of the Executive Committee instead of two elected auditors, who must then report to the General Meeting.

(4) The annual financial statements for each financial year must be submitted to the ordinary General Meeting for approval.

§ 15 Merger and dissolution

(1) The General Assembly of Members shall decide on the merger of the Association with other associations and its dissolution with a majority of 3/4 of the votes cast. The General Assembly of Members shall have a quorum for this purpose if at least half of the votes of all ordinary members are represented or if the merger or dissolution request could not be decided on at the previous General Assembly of Members due to this quorum not being reached, provided that reference was made to this point in the invitation to the General Assembly of Members.

(2) The General Assembly of Members shall decide on the use of the Association's assets. The Association's assets may only be used for tax-privileged purposes within the meaning of Section 4 (2) No. 4 of the Charitable Status Ordinance ("Gemeinnützigkeitsverordnung").

(3) The President and the Vice President shall be the liquidators of the Association to be dissolved, unless the General Meeting appoints other liquidators.

§ 16 Miscellaneous

(1) The validity of these Articles of Association shall be governed by German law.

(2) The place of jurisdiction for disputes concerning or arising from these Articles of Association shall be Berlin.

(3) The financial year shall be the calendar year.

(4) The General Meeting shall confer on the Executive Committee the right to adopt amendments to the Articles of Association that are requested by official bodies (local court, tax office or others) within the scope of their jurisdiction. These amendments may neither significantly change the purpose of the Association nor restrict the rights of its bodies and members.