



FLORA TOSCANA'S STATUE

ART. 1 - Establishment and name

Among cultivators, in particular floriculture growers and agricultural cooperatives a cooperative company is constituted named "FLORA TOSCANA Società Agricola Cooperativa".

For commercial purposes in order to distinguish its products, the Company may use, in addition to the name above, the following other names: "TOSCOFLORA" – "GEOFLORE TOSCANA" and other names approved by the directors/administrators;

ART. 2 - Location

The Cooperative has its headquarters in Pescia (PT) Italy.

By resolution of the Board of Directors in relation to its social purposes, the Cooperative may establish: branches, subsidiaries, agencies, representative offices, warehouses, depots and dependencies both in Italy and abroad.

ART. 3 - Duration

The Cooperative has a term of fifty years from its legal constitution, which may be extended, by resolution of its assembly, even before the expiry of the term.

ART. 4 - Purpose and object

The Cooperative is governed and guided by the principles of mutuality and does not pursue any profit. The management of the Company must be orientated to the achievement of the parameters of mutual exchange prevailing under Articles. 2512 and 2513 of the Italian Civil Code. With regards to the mutual relationships the Cooperative must respect the principle of equal treatment among cooperative members.

The Co-operative aims to improve and optimize the social, professional, entrepreneurial and working conditions of its members who are engaged in economic activities in agriculture and in particular floricultural.

To achieve this purpose, the cooperative shall in particular:

- a) Ensure and optimize, in relation to their quantity and quality, the member's programming of their floral production meets the market requests.
- b) Concentrate the supply of the flower and plant production of its members, through the organisation and management of all the various phases of the marketing of their production.
- c) Reduce the costs for its members and stabilise the prices of production, mainly through the organisation, coordination and planning of its costs and the (production) transfer the cooperative.
- d) Provide technical assistance to its member companies in order to promote and stabilize environmentally friendly production techniques and improve the quality of their production.
- e) Take control and coordinate all the production phases: preservation, packaging and shipping of the members' products.

- f) Determine and develop, in the areas where the cooperative will operate, more favourable conditions and initiatives to facilitate the development of the cooperative among farmers and growers in general and those producing flowers and pot plants in particular.
- g) Provide on behalf of the cooperative's individual members and institutions involved in the organisation of the purchase of the goods necessary for the exercise of the agricultural and floriculture activity, as well as the sale of those products for which the members themselves deem it advisable to purchase and which the Cooperative can implement directly or by participating in other specialised cooperative or consortiums; in particular, the cooperative will sell in the retail and wholesale trade of cut flowers, ornamental plants, vases and accessories for florists, products for agriculture, gardening items, florists accessories, cereals, chemicals, pesticides and any other product relating to agriculture.
- h) On behalf of the growers and their interest the cooperative may take on the representation of companies for the supply of products or technical means needed for farming activities.
- i) Build, rent or otherwise handle warehouses and/or retail outlets for the handling, processing, storage and marketing of goods needed by the members to conduct their activities by investing in companies that aim for the same purposes: purchase, take on lease and/or in any other form, take lands on concession to be cultivated by the grower members together, or also individually adopting processes for these crops which are more affordable for its social objectives.
- j) Carry out the collection, voluntary storage, conservation and the eventual transformation of the grower's production by using special equipment of the member's products and manage the sale of the products in Italy and abroad. If necessary, through direct management initiatives and corresponding to the growers the full payment deducting the costs incurred for that specific activity.
- k) Run a fleet of agricultural machinery for working and treating the land and the crops of its members as well as to provide technical and administrative assistance to them according to their needs.
- l) Assist members with the demand for subsidized credits and in any case provide on their behalf the requests for benefits already present or that are issued by law at European, national and regional level as, for example, the benefits for natural disasters that might hit the members, organizing the fight against diseases and plant pests rehabilitation of livestock, etc.
- m) Perform or participate in the conduct of studies and research in the agricultural field, or to the organization of professional courses and technical conferences as well as the system of trial fields and experimental stations of nurseries, etc. all initiatives in favour of the improvement of agricultural production and professional capacity of the growers.
- n) Carry out propaganda activity for the cooperative, undertaking initiatives and establishing where needed, special sections for the management of special funds for such purposes intended.

The Cooperative, with a decision of the Board of Directors, may participate in or promote the constitution of institutions, consortiums, cooperatives, etc. whose aims are related or in any case contribute to the achievement of the social goals.

Exclusively for the achievement of the company's social goal, and therefore as an instrument with respect to the social goal, the Company may perform commercial, industrial and real estate operations that the Board of Directors may consider necessary or useful. Moreover for the same purposes, the company may also get involved directly or indirectly, into interests and participation with other companies or businesses which have similar objects/scopes, related or connected to its own and may enter into loans also for land and give warrantees/guarantees and mortgages.

By resolution of the ordinary assembly, the company may eventually lend guarantees and true warranties for the obligations assumed by subsidiaries or associates. Some of the activities are expressly excluded to certain operators by Legislative Decree no. n. 58 of 1998 and subsequent changes and by Legislative Decree no. 385 of 1993 (Italian civil code). The company may participate to associations and/or entities and economic organisations, consortiums or warrantees, focusing on the development of the cooperative movement and facilitating trade, and the cooperative may encourage the development of social initiatives, mutual, pension, welfare, cultural and recreational activities, with the creation of special sections, and by participating in organizations and appropriate entities. The Cooperative may, also help to encourage savings by the members, establishing a section of activities governed by specific rules for the collection of loans reserved to the members and performed exclusively for the purpose of achievement of the company's scope, in accordance with what is stated in art. N° 11 of the Legislative Decree 1 September 1993 n. 385 and related implementing measures. It's therefore strictly forbidden to raise funds from the public under any form. The procedures for conducting such activities are defined by appropriate regulations approved by the shareholder's assembly. The Cooperative also proposes the adoption of multi-annual programming procedures focused to the development and modernization of the company. The activities of the Cooperative may be also run in favour of non-members, but within the limits of what is strictly necessary to a more rational and effective social organization of the company, and therefore, always in the best interest of the agricultural producer members.

ART. 5 - Members

The number of members is variable. The members can be agricultural producers single or associated in any form with financial independency, such as but not limited to: cooperatives, consortiums, corporations and individuals, associations between producers. Non producing agricultural members, workers, can also be members of Flora Toscana together with companies and organisations in general, including those run by public law, that include in their own purposes or institutional duties to improve and develop agriculture and agricultural production, and in general, those who act prevalingly, although not mainly related to agriculture or related activities as well as activities that, through the social relationship can usefully contribute to the achievement of the social scope of the company. Those people who possess administrative knowledge or techniques, which, while even if not having the requirements expressed in the preceding paragraphs and may contribute to the correct functioning of the Cooperative Can be admitted to membership, provided that within the limits strictly necessary with reference to the activities and the complexity of the organization and management of the cooperative. The Board of Directors will decide, before admitting the new member, and verify whether these requirements are in accordance with the provisions of this Article.

ART. 6 - Trial Membership

If the Board of Directors deems necessary to allow a new member to gradually join in the production organisation process, in order to be able to assess the concrete possibilities, the new member will be assigned to a special category called " trial membership". The allocation to the special category of "trial membership" must result with a position in the register of the shareholders, or on a special section of the shareholder's register. The new member is requested to pay only half the amount due as capital share, while the other half must be paid within three months from its passage to the category of ordinary members.

During the trial membership period, the duration of which will be determined within the admission resolution and shall not in any case exceed five years, the new shareholder may participate at meetings but without the right to vote and can not be appointed as a member of the board of directors.

The partner will be entitled to dividends, the latter in proportion to the share actually paid. During the trial period the member may withdraw from the company, and the board of Directors may decide to exclude the shareholder, without the need for motivation and by a simple written notice sent prior to sixty days. Both the withdrawal and the exclusion will take effect, with regards to the social relationship and the mutualistic pendant affairs, in accordance with the law.

No share will be refunded to the withdrawn trial member; the amount paid will be assigned to the indivisible reserve of the company. Vice versa the quota will be refunded to those trial members, which have been excluded by this Article's terms and paid in the way described by the law and in this Statute.

ART. 7 - Share Payment - Production supply

The new member must pay the amount due within thirty days of receipt of the admission notice, or within the extended deadline set by the Board of Directors in relation to the amount of the subscribed share. In case of a deferent payment and in relation to the extension granted, the Board of Directors may apply interests to the new member according to legal rates.

The payment of the fee and of the additional amount must be paid with money. The Board of Directors may accept, if considered useful and appropriate with reference to the social object and to the balance sheet of the company, contributions of other kind or credits.

ART. 8 - Members' Obligations

In addition to the payment of the fee and of any premium to be charged, the member is obliged to cooperate to the implementation of the social object and economic programme activity approved by the boards.

In particular, the member must:

- Discuss with the Cooperative about performances and productions necessary to achieve an effective performance of the approved entrepreneurial activities.
- Not provide any information under his/her own name regarding third parties productions.
- Use the services made available by the cooperative to the extent necessary to ensure the coverage of their costs and their proper functioning;
- Not to take part in or carry out, both in their own interests or of third parties, economic activities conflicting or competing with those exercised by the Cooperative.
- Provide to the administration, in accordance with privacy rules, useful information and documentation in order to verify the correctness of the mutualistic exchange.

ART. 9 – Mutualistic Relationships Guidelines

The relationship between the cooperative and its members (discussions regarding productions and work meetings, collective goods and service purchases by the members) will be subject to specific regulations prepared by the directors and approved by the shareholders' meeting.

ART. 10 - Withdrawal

Besides those cases provided by law, a member has the right to withdraw from the company, for a justified reason occurred after admission, when he/she finds it impossible to cooperate in the achievement of the social object.

The Board of Directors, to which the request of withdrawal must be addressed to by registered post, must verify its legitimacy.

With exclusive reference to the production commitments undertaken by the withdrawing grower and still in progress at the time of the notice of the withdrawal, the mutual activity will be interrupted after the end of the sixth month following the date in which the withdrawal was communicated.

What is however stated in article 6 concerning trial membership is kept valid.

ART. 11 - Death of a member - Dissolution of the legal person

In case of the death of a member his/her heirs or legatees have the right to obtain the refund of the fee that was paid by the deceased associate. Except in the case in which the heirs or legatees require the cooperative to continue with them.

The cooperative can continue its work with the heirs and legatees provided that they fulfil the requirements of Article 5 and that the request is accepted by the Board of Directors. The official request must be presented, under penalty of forfeiture, within six months after the death of the member.

The share may be kept in communion among the heirs or legatees, if they continue to lead the company of the deceased partner in an undivided manner; otherwise they must request the division and agree between them for the eventual payment of the necessary additions to ensure that each one has a share not less than the minimum required by this statute.

In the case in which the heirs decide to keep the share in communion the co-heirs or legatees must appoint a common representative to exercise the rights of the share itself: in its absence, any communication made by the cooperative to one of the co-heirs or legatees are valid also for the other/s.

In the case of voluntary dissolution of the member/shareholder legal person, the social relationship may continue also during the liquidation if the necessary conditions exist as expressed in this statute and in the interests of the liquidation procedure.

ART. 12 - Exclusion.

The exclusion of a member from the cooperative is approved by the Board of Directors in the following cases:

- a) The member fails to carry out all or part of the payment of the undersigned quota, or of the premium, despite the written warning to comply within reasonable time.
- b) Without any justification a member stops providing goods or interrupts his/her working services with the cooperative or does not use the services provided by the company, as per this present statute and necessary to achieve the social object of the cooperative; the Board of Directors will certainly expel the member when the non-contribution or non-use of the cooperative's services has reached a non interrupted/continuous period of more than two years.
- c) The member results insolvent in the payments of his debts to the company, at any title, if the non-compliance has significance with regards to the cooperative's interests.
- d) The member is involved in competing or conflicting activities, even on behalf of others, with those run by the Cooperative in implementing the corporate purposes.

- e) The member is causing significant tension within the social life of the Cooperative, adopting behaviours likely to affect the smooth functioning of the corporate bodies or meant to damage the commercial image and dignity of the company, committing any other act likely to cause serious injury to the principles of economic and social mutuality to which is inspired the cooperative.
- f) The member has lost the requirements to become a member, or he/she is unfit or unable, for reasons that have occurred subsequently, to the mutual exchange and the member is not exercising the right of withdrawal, where the loss of the requirements, the inability or impossibility are definitive and however persisting for more than one year.
- g) The member has committed, subject to the provisions of subparagraphs a), b), c) and d) serious violations to the obligations that derive from the law, statutes, rules and regulations adopted by the administration board, as well as the resolutions taken by the governing bodies.
- h) The member has been suspended, incapacitated, or convicted of an offense that results in the suspension, even if temporary, of public office.
- i) The member is declared bankrupt or subjected to forced liquidation.

The exclusion has effect on the membership from the date of receipt of his communication and should be immediately noted on the shareholders books/register. On the same date must be resolved also mutual pending, unless otherwise stated by the Board of Directors, to be communicated together with the measure of expulsion, where the simultaneous resolution of these relations could harm the interests of the company.

What is stated in article 6 concerning members on trial remains nonetheless excluded.

The excluded member for one of the reasons specified in subparagraphs a), d), e), g), is not entitled to a refund of his share, which is retained by the company and assigned to the indivisible reserve, without prejudice without excluding the possibility of further compensation for possible damages.

ART. 13 - Settlement of share to the leaving member

Except what is stated in the last paragraph of Article 6 and in the last sub-paragraph of Article 12, the liquidation of the share is carried out at its nominal value if the actual consistency of the net assets resulting from the financial year in which the relationship ends allows it. Otherwise, the liquidation will be carried out at the lower value resulting from the financial statements.

ART. 14 - Appeal of resolutions on withdrawal and exclusion

In order to contest the decisions adopted by the Board of Directors concerning withdrawal and exclusion measures, excluding resolutions concerning the settlement of the share, appeal is admitted only by request for arbitration according to the subsequent Article 15.

The demand for arbitration shall suspend membership and must be submitted, under the penalty of forfeiture, within sixty days of receipt of the notification of the contested measure and in the forms reported in Article 15.

When communicating the decision reported in the first paragraph, the Board of Directors must explicitly state, under penalty of nullity of the communication itself that the member may appeal to Arbitration within the period prescribed by the first paragraph of this Article and in the forms prescribed by Article 15.

ART. 15 - Arbitration clause

Except in cases indicated in Article 14, any dispute that may arise between the shareholders and the Cooperative regarding the interpretation and application of the provisions of this statute shall be referred, with the exclusion of any action by the ordinary courts, to the decision of an arbiter, appointed by the President of the Chamber of Commerce Agriculture of Pistoia at the request of the party who has an interest.

The application for appointing an arbiter must indicate the subject matter of the dispute and must be communicated simultaneously to the other party with a notice delivered by a bailiff.

The arbitration shall be conducted in compliance with the rules laid down in Book IV, Title VIII of the Italian Civil Code of Procedures.

ART. 16 - Financing Members

Financing members can be admitted to the Cooperative, as per art. 2526 of the Italian Civil Code. Included in this category are also investor members governed by Article 4 of Act 31 January 1992, n. 59, as well as the shares holders of cooperative participation as per Articles. 5 and 6 of Law no. 59. In addition to what is expressly set forth in this Title document, the provisions distributed to the ordinary members are applied to financing members, as they are compatible with the nature of the relationship. The company does not apply provisions concerning the requirements for admission, the causes of incompatibility and transfer conditions.

ART. 17 - Liability to capital - Shares

The contributions of the financing members are allocated to a specific section of the social capital of the Cooperative. The Board of Directors can provide bonds or natural assets.

The cooperative has the right not to issue the bonds pursuant to Article 2346, comma 1 of the Italian Civil Code.

In this section of the social capital it is also included the fund for strengthening/expanding company set up by the contributions of the financing members, set forth in the articles of this Statute. The contributions of the financing members may concern money, goods or credits, and are represented by nominative transferable shares of the value of Euro 25.00 each.

The transfers of the shares unsersigned by the financing members to be exchanged/freed into cash can be effected up to 25% at the time the shares are subscribed and the remainder in the terms to be determined by the Board of Directors.

Unless otherwise stated by the assembly when issuing the titles, the shares of the financing partners can be be subscribed and transferred only upon approval of the Board of Directors.

The financing partner who intends to transfer the shares must notify to the Board of administration of the proposed purchaser and the board has the power to decide within 60 days from receipt of the communication. In case of non-approval of the purchaser indicated by the shareholder who intends to transfer the shares, the Board shall give indication for another preferred one. Upon expiry of the said period, the member will be free to sell to the proposed purchaser .

In case of transfer of the shares to cooperative's members, the procedure contained in the letters b) and c) of Article 2514 of the Italian Civil Code will be applied.

ART. 18 - Voting Rights of the Financing Members

The issue of the shares to the financing members must be regulated by the resolution of the extraordinary shareholders' meeting with which the total amount of the issue must be determined together with the procedures and guidelines for exercising the option rights of the shareholders on the issued shares. The purpose of these actions is to authorise the administrators to exclude or limit the same, in accordance with the requirements of Art. 2524 and 2441 of the Italian Civil Code following the limits of the ordinary members established by letters b) and c) of article 2514, which must be specified with an articulate proposal of the administrators.

With the same deliberation, the issue price of the shares can also be established, in proportion to the amount of the divisible reserves stipulated herein, to which they are entitled to, and any administrative or economic right that may be assigned to the holders of the shares in derogation to the general provisions contained in this Statute.

To each funding shareholder a number of votes are allocated in proportion to the number of subscribed shares. Where shares are issued pursuant to Article 4 of the Law of 31 January 1992, n. 59, each financing member may not, however, be attributed more than five votes.

Ordinary members cannot be attributed as holders of financial subscribers during voting sessions.

If the underwriting of the financial instruments is reserved or offered as an option to the employees of the company, the resolution of the issue may provide that, in relation to the number of subscriptions, one or more directors (members of the board) are chosen among the subscribing employees.

ART. 19 - Economic Rights

The shares of the financing partners are privileged in the allocation of the profits to the extent set by the resolution decided by the extraordinary Assembly of the members'. If it is granted, the privilege must be paid even in the case in which the Assembly decides not to remunerate the shares of the cooperative members. In favour of the financing members and of the cooperative participation shares the privilege acts however in respect of the limits laid down by national law.

The reduction of the capital share, as a result of losses, will not result in the reduction of the face value of the financing partners shares, excluding the portion of the loss that exceeds the par value amount of shares of the cooperative members.

In case of the Cooperative's dissolution, the shares belonging to the financing partners have the right of receiving the repayment of their share capital, differently to those of the cooperative members, for their entire value.

In all cases in which withdrawal is permitted, the right of withdrawal is lies in the funding members' decision when a period of at least three years has passed since the subscription in the members' book.

Keeping firm the cases indicated by the law, the resolution of the shares may exclude the possibility of withdrawal, or establish a longer period.

ART. 20 - Shares of cooperative participation

By decision of the ordinary assembly, the Cooperative may adopt procedures of multiannual programming aimed to the development and modernisation of the businesses,

according to what is stated in Art. 5, Law of 31 January 1992, n. 59. In this case, the Cooperative may issue shares of cooperative participation, even if fully paid-in bearers form, without the right of voting and privileged in the sharing of the profits.

The shares of cooperative participation may be issued for an amount not exceeding the minimum sum between the accounting book value of the indivisible reserves or of the net assets resulting from the last audited financial turnover and deposited at the competent Ministry.

The shares of cooperative participation must be offered as an option, with a share no less than half, to the shareholders and employees of the Cooperative.

To the shares of cooperative participation are entitled to the preferential rights set in the preceding Article 19.

With proper regulation, approved by the ordinary assembly of members, the rules for the implementation of the programming procedures described in the first paragraph of this article.

The special meeting of the shareholders of participation determines the mode of operation of the Assembly itself and the appointment of a common representative.

The common representative of the participation shareholders may: examine the company's books and request extracts, attend the shareholders' meetings with the right to contest the resolutions; Furthermore, the common representative can carry out the execution of the resolutions of the special assembly and protect the interests of the owners of the cooperative participation shares towards the Cooperative.

ART. 21 - Bonds - Debt financial instruments

The Cooperative may issue bonds, as well as financial instruments other than bonds, in accordance with Articles. 2410 and et seq. of the Italian Civil Code.

ART. 22 - Assets

The company's assets consist of:

- a) The capital, an amount that is not predetermined, divided into bonds each of which with a face value of 25,000 €.
- b) The legal reserve fund.
- c) Any surplus share premium reserve funds which can be used exclusively within the purposes described in Articles 7 and 9 of Law 31 January 1992, n. 59;
- d) Any other indivisible reserve funds provided by the Assembly.

Any emission of titles related to the actions and financial participations of the cooperating members will not be released. The amount is attested by the Membership's book.

It is strictly forbidden to distribute reserves among the cooperative's members, both during the life of the company or upon its dissolution.

ART. 23 - Business Year

The cooperative's business year coincides with the calendar year (1st January to 31st December of every year).

The assembly approves the financial statement holding a conference, the latter of which must take place within 180 days after the end of the last financial year; during the meeting, the members will draw up the consolidated format. The timing concerning the conference might change if particular requests regarding the structure and object of the company must be discussed, in which case the meeting might be held earlier.

ART. 24 - Profits

Any profit obtained in the year and resulting from the approved turnover will be so distributed:

- a) A share, as indicated by national law, to the legal reserve.
- b) A share, as indicated by national law, to the mutual funds for the promotion and development of cooperation.
- c) A share of the remaining amount after the assignments referred in the preceding paragraphs may be used by the shareholders assembly to remunerate the capital actually paid and the other instruments possibly issued, in full compliance with the limits established by law and by this article to meet the requirements established by law for the prevalent mutual prevailing cooperatives.
- d) A share of the profits can be allocated to other reserve funds that may have been established.

The Assembly may decide to allocate a share of the profits, subject to the destinations mentioned in letters a) and b), for a free augmentation paid in capital for the sole purpose to revalue the shares of the members, and therefore within the mandatory limits set in Article 7 of Law 31 January 1992, no.59.

Any portion of the profits that is not assigned pursuant to the preceding paragraphs should be devoted to mutualistic purposes.

It is absolutely forbidden:

- a) To distribute dividends in excess of the maximum interest of the postal savings certificates, increased by two percentage points, compared to the paid-up in capital.
- b) The remuneration of the financial instruments, including the shares of the financing members, offered to the cooperative members with two points increase in respect to the maximum limit set by in the previous point a).
- c) To allocate any remaining profit as per the preceding paragraph for purposes which are not Mutual.

ART. 25 - Reversals/Rebounds

Any rebates will be distributed among the grower members in proportion to the amount and quality of offered products.

The rebate is distributed among the cooperative members in proportion to the quality and quantity of the mutual exchanges. The quality evaluation of the products will be assessed on the basis of the parameters indicated, per species, by special regulations.

ART. 26 - Assembly

The shareholders' meeting may be ordinary and extraordinary, with the skills that for each assembly are attributed by national law and this Statute.

A partial exception are the resolutions relating to the establishment or closure of secondary offices and the adjustment of the Statute to legal provisions, which will be determined by the Board of Directors.

ART. 27 - Convocation

A notice posted at the Company's registered office and published in the "Gazzetta Ufficiale" or on the newspaper "La Nazione" at least fifteen days prior to the actual meeting will call the assembly. Alternatively, written communication among members will be

permitted if these methods guarantee proof of the actual reception of the message, at least eight days before the assembly.

ART. 28 - Representations

At the meeting, member entities are represented by their legal representative, or by other representatives with a written proxy by those who have legal representation.

Another member who is not a director or the mayor, by written proxy, may represent the shareholder who is unable to attend the meeting. Every member cannot represent more than one other member.

The proxy for representation may be provided only for one meeting, influencing also subsequent calls.

ART. 29 - Constitution and Resolutions

The first call meeting, both ordinary and extraordinary, is constituted of as many shareholders representing a majority of the total entitled voters; decisions and deliberations are carried out by the absolute majority of the present.

At the second call the meeting, both ordinary and extraordinary, decides by absolute majority of whatever is the number of members involved in the second conference.

ART. 30 - The Meeting

The meeting is chaired by the Chairman/President of the Board and in his/her absence by the vice-president. In the absence of both, the chairman of the meeting will be designated to one of the attending members.

The ordinary general meeting will appoint a secretary, who may also not be a member.

ART. 31 - Separate Meetings

If by Law the conditions reported in Article 2540 of the Civil Code will take place, the General Assembly will be preceded by separate meetings.

The Board of Directors will convene separate meetings in the same manner and terms as for the general meeting. The period of notice must be complied with for the first separate assembly.

In order to facilitate the participation of the members and, consequently, the call and the course of the separate meetings, the members of the cooperative are grouped into sections, taking into account the different kind of memberships, in other words using the areas where they are located.

Each section cannot be formed with a number of members less than one hundred. If the number of members of a section is below the threshold established above, the Board of Directors/Administration will assign the members to the closest section.

All the rules for the conduct of the general ordinary or extraordinary meeting apply to the separate assemblies.

Each separate meeting deliberates on issues covered by the General Assembly and appoints the delegates to the General Assembly, in a quantity proportional to the number of members who have voted. The delegates appointed by each separate meeting are, in the general meeting, the bearers of the number of votes expressed in the same separate meeting and therefore must also be appointed delegates carrying any dissenting vote.

ART. 32 - Board of Directors

The Board of Directors is composed of a number of members determined by the shareholders' Assembly and set between a minimum of five and a maximum of twenty-one.

The majority of the members of the Board is determined by the Assembly, which proposes the number of nominated people in order to maintain a balanced representation of the various categories of members. The former Board of Directors follows the subsequent criteria:

a) The majority of the administrators are decided by the those members that offered floricultural and natural products and, furthermore, have presented to the cooperative the highest quality of flower and plant species within the last three years.

b) A minimum of one administrator is chosen by those members, which operate outside Tuscany.

c) An administrator, if the number of the category is not above eleven (in which case two administrators are nominated), can be chosen by those people who are not members but possess technical and commercial knowledge useful to the company.

ART. 33 - Remuneration

Commonly, advisers do not receive any payment (excluding the reimburse of expenses used for the company's interest) but the Assembly can deliberate presence medals or coins to signal the participation at the Board of Directors meetings. The Board can also establish a sum for the outgoing president and vice president, taking into account the responsibilities of these titles.

Remuneration of administrators with particular tasks or functions is established by the Board of the Directors after a consultation with the Board of Auditors.

ART. 34 - President and Vice-President

The Board of Directors will choose among its members a Chairman/President and one or more Vice-Presidents who can substitute if he/he is unable to attend.

Dealing with third parties, the vice-president's signature confirms the absence of the Chairman.

Without a different decision from the administration, the President and Vice President carry out controlling and coordination tasks conjunctionally with the Board and various sectors of the company.

ART. 35 – Delegated Advisors and Executive Board

The Board of Directors can delegate its functions partially or entirely to one or more members , or in case it is composed by more than 10 members to an Executive Committee, of no more than 5 members, within the terms indicated by the national law. The Board of Directors establishes the remuneration of the Executive Committee's members, after consulting the Board of Auditors.

ART. 36 - Special Meeting Rules

In the event of a tie, the vote of the chairman will prevail.

The attendance at the Board's meetings may also be communicated by ordinary means of telecommunication.

If an administrator, without justification, misses more than three consecutive meetings, the Board of Directors may revoke his/her title and will nominate a new substitute.

ART. 37 - Powers of the Board of Directors.

The Board of Directors is vested with the greatest powers for the ordinary and extraordinary administration of the company; most notably, to the Board of Directors are conferred all the faculties to implement the social goal which are not reserved by law and by this Statute to the competence of the Assembly.

The Board of Directors may, therefore, as described in the following examples, purchase, commute, sell, hire and lease, rent and with any other title, properties, furniture, businesses, and in particular branches of businesses, intangible assets, can also take on bills of exchange, bonds and mortgage loans, enter into any kind of contract in the interest of the company and in its name, participate in other businesses and companies established or to be established, make any commercial, industrial, financial, banking operations, release sureties, endorsements and any other warranty also on the real assets of the company.

The Board of Directors may ultimately establish or close secondary offices and they also are attributed the competence to approve the amendments to the statute that are necessary in adapting it to new legislation.

ART. 38 - General Managers

When deemed appropriate, in the interest of the company's performance and if the economic status of the cooperative permits it, the Board of Directors may provide the appointment of a director, or more directors chosen from non-members, determining the functions and the remuneration.

ART. 39 - Statutory Auditors

The Board of Auditors, if appointed, is composed of three members and two substitutes. The Board of Statutory Auditors is also entrusted with the accounting audit, if not prescribed differently by the national law.

ART. 40 - Dissolution and Liquidation

If at any time or for any cause the company comes to its dissolution the assembly will determine the method of liquidation, appointing one or more liquidators, choosing them among members and non-members, thus establishing their remuneration.

ART. 41 - Disposal of assets

At the dissolution of the company the entire company's assets, minus only the paid-in capital and the eventual revaluation and accrued dividends, will be donated to mutual funds for the promotion and development of cooperation.

ART. 42 – Mandatory statutory clauses

The provisions of:

a) Article 25 (indivisibility of reserves among the cooperative members)

- b) Article 27 (prohibition of assignment of profits in excess of the limits imposed by law for cooperatives with prevalent mutuality)
- c) Article 47 (devolution of the remaining assets to the mutual funds for the promotion and the development of cooperation), are absolutely mandatory and must in fact be observed.

ART. 43 - Reference

For further information not specifically regulated by this Statute the provisions of The Italian Civil Code, of the special laws relating to cooperative societies with prevalent mutuality, of the farming companies, of the regulations and decrees of execution, will apply.

Signed by :
PAOLO BATONI – President of Flora Toscana Soc. Agr. Coop.
ANTONIO MARRESE - NOTARY.