

# STATUTE

## **ART. 1) Constitution and designation**

A voluntary Consortium for the Protection of Provolone Valpadana cheese is constituted according to the articles from 2602 to 2615 C.C. and the art. 14 of the Law 21/12/1999 n. 526. It is designated as follows:

"CONSORZIO TUTELA PROVOLONE VALPADANA" (CONSORTIUM FOR THE PROTECTION OF PROVOLONE VALPADANA CHEESE)

## **ART. 2) Registered Office and Duration**

The Consortium has its Registered Office in Cremona.

The Board of Directors of the Consortium can set up and modify or abolish branch offices, agencies and representations both in Italy and abroad, which means that the headquarters can be moved in the area of the municipal territory.

The duration of the Consortium is fixed up to 31<sup>st</sup> December 2050 and it could be postponed with a resolution of the Extraordinary Assembly.

## **ART. 3) Object**

The Consortium does not have view to profit.

The object of the Consortium is to carry out the most suitable work in order to:

- a) obtain the recognition from the Ministry for Agricultural and Forestry Policies;
- b) To protect and control on the production and commerce of the Protected Designation of Origin Provolone Valpadana cheese and its use in the designation.
- c) promoting any useful initiative aimed at preserving the typical and the peculiar features from any abuse, unfair competition, counterfeit, improper use and from all the other behaviors banned by the law;
- d) promoting the knowledge of the Protected Designation Origin Provolone Valpadana cheese on all the markets;
- e) enhancing the value of the Protected Designation Origin Provolone Valpadana cheese;
- f) informing the consumers with any means and initiatives;
- g) following the general interests of the Protected Designation Origin of Provolone Valpadana cheese.

Especially, the Consortium:

- h) can put forward suggestions regarding the modification of the specifications of the Protected Designation Origin Provolone Valpadana cheese;
- i) can define the programs of qualitative and structural improvement;
- l) collaborates with the Ministry for Agricultural and Forestry Policies for the control, supervision and preservation of the Protected Designation Origin with the help of inspectors;
- m) cooperates with the European Union, the Italian State, the Regions, the Self-governing Provinces, the Public Bodies and the Private Bodies as well as with the Control Body of the Protected Designation Origin for the best promotion and protection of the Protected Designation Origin itself putting at disposal its own organization;
- n) carries out advertising and promotional initiatives to increase in fame and consumption;
- o) takes part in Associations, Societies and Bodies with similar objects, similar and however useful for the achievement of the corporate objects;
- p) is the holder of the collective identification mark of the Protected Designation Origin and it grants it in use to those who have the right.
- q) provides, when required, for the branding of the constitutive logo of the Protected Designation Origin on the cheese, produced by the persons, associates or not associates, involved in the system of control of the authorized Body by the Ministry for Agricultural and Forestry Policies;

r) can arrange plans, projects, proposals and studies aimed at the technical, sanitary, and company improvement.

s) selects and, upon request made by sales professionals, especially by the foreign ones, makes the Provolone Valpadana cheese available. Provolone Valpadana cheese shall be object of a specific technical brilliance and shall be available with a price that is agreed with the counterpart and that considers all the concerned certified producers, whom shall fulfill the following tax payment. The above mentioned cheese, which demonstrates to be pursuant to the required parameters, could be sold, for both sweet and spicy type, both in whole wheels and in packages. The cost of the brilliance shall be charged to the applicant.

t) can carry out, together with other Protection Consortiums and in compliance with the dedicated agreement, specific activities, such as, promotion, development and management.

#### **ART. 4) Definition of the product and production area**

The characteristics of the Protected Designation Origin Provolone Valpadana cheese and its production area are established by the Production Specifications in force.

#### **ART. 5) Members**

All the subjects of the chain of the Protected Designation Origin Provolone Valpadana cheese inserted in the control system established by the authorized Control Body or, in case of its absence, by the appointed Public Authority have the right to be admitted to be part of the Consortium. They are identified as follows:

a) the breeders producing milk inserted in the control system of the authorized Control Body, who have the farm located in the production area, whose milk is destined to the production of the Protected Designation Origin Provolone Valpadana cheese. The milk producers who are members of the producing cooperatives of Provolone Valpadana are represented by these.

The farms producing milk that are not direct members or cooperatives members can be represented by the associations, legally constituted, between milk producing companies whose farms are located in the production area and whose milk is destined to the production of the Protected Designation Origin Provolone Valpadana cheese.

The companies would have to give to the association a specific written authorization of representation.

b) the cheese factories producing Protected Designation Origin Provolone Valpadana cheese inserted in the control system of the authorized Control Body and in possession of the conformity certificate issued by the competent Control Body.

The cooperative dairies that transform into the Protected Designation Origin Provolone Valpadana cheese the milk supplied by the breeders producers members represent the two elements of the chain, breeders producing milk and the dairies cheese producers.

c) the companies that buy and ripen the Protected Designation Origin Provolone Valpadana cheese and inserted in the control system of the authorized Control Body, until the conclusion of the scheduled term of ripening, having its storehouse located in the production area, in possession of the conformity certificate issued by the competent Control Body.

The cheese-producing dairies that carry out directly the ripening of the Protected Designation Origin Provolone Valpadana cheese, for their amount of ripened product, they represent the two elements of the chain, dairies and seasoners.

All the associates have to demonstrate to have availability of product and to undergo to inspection on behalf of the competent Control Body.

#### **ART. 6) Application**

The application shall be written and addressed to the Board of Directors specifying the association category/ies:

- breeders producing milk;

- dairies;
- seasoners;

with the payment of the capital share and the presentation of the documents that demonstrate the fulfillment of the requirements needed for the admission.

The Board of Directors of the Consortium decides about it. In case of justified and written denial, the excluded person can lodge a petition with the Board of Arbitrators within 30 days.

If the application is forwarded by a society or a legal person, a copy of the resolution of the company body that has authorized it has to be enclosed.

#### **ART. 7) Members obligations**

The members are under the obligation to:

- a) comply with the Statute and the regulation approved in accordance with the Statute itself and follow the resolutions taken by the Company Bodies;
- b) pay the fixed fees and the subsidies established in accordance with this Statute;
- c) to brand all the Protected Designation Origin cheese wholes produced with the mark of the Protected Designation Origin;
- d) to allow the control activity, excluding those required by the Control Body, that the Consortium will deem to carry out in order to make sure of the conformity with the norms of the Statute, of the Regulations and of the rules in force.

#### **ART. 8) Rights of the members**

The affiliation to the Consortium gives the right to the Consortium members:

- a) to participate to the company activity using programs arranged by the Consortium;
- b) to benefit from the assistance and the advantages established by this Statute.

#### **ART. 9) Withdrawal, loss and exclusion**

The minimum duration of the membership obligation for each member of the Consortium corresponds to two years from the date of admission, except what established by the following paragraphs.

The commitment is intended tacitly prolonged of a two-year period, unless three months before the end of each two-year period, the Consortium member informs with letter by recorded delivery addressed to the registered office of the Consortium his will to withdraw.

The withdrawal is allowed also before the end of the two-year period to a Consortium member who has given up his business. The loss is decided by the Board of Directors towards the Consortium member who has lost his requirements for the admission, referred to art. 5. This resolution will have to be adopted within six months from the carried out verification of the loss of the requirements of the member.

The withdrawal and loss statements are effective from 31<sup>st</sup> December of the year in which the withdrawal has been communicated or in which the loss has been judged in conformity with the previous paragraphs and the person who has withdrawn or the forfeitier is obliged to pay the fees and the contributions completed for the two following years to the above-mentioned 31<sup>st</sup> December.

The Consortium member can be excluded from the Consortium under resolution of the Board of Directors in case the member:

- a) commits serious defaults or breach of the Statute or of the Regulation and especially when, with his behavior in the carrying out of the activity that involves the objects of the Consortium, he jeopardizes the prestige of the Consortium itself or damages the work.
- b) is in arrears for more than six months for the payment of the fees, of the contributions and of what is due to the Consortium, at any title.

c) is declared bankrupt.

Against the decisions of loss and exclusion it is possible to lodge a petition within 30 days with the Board of Arbitrators , whose decision is irrevocable.

The excluded member does not have the right to the refund of the capital share and he will have to pay for the determined damages.

#### **ART. 10) Consortium assets**

The Consortium assets is composed of:

- a) the entrance fee of the new members of the Consortium, established at 1.000,00 Euros, except modification on behalf of the ordinary meeting;
- b) the annual association fee annually fixed by the Board of Directors;
- c) the membership contribution determined for each corporate business by the Board of Directors, on the basis of the financial and assets needs that can be differentiated for the various members categories;
- d) contributions for the marking application, determined by the Board of Directors;
- e) proceeds coming from the execution of specific services such as, for example, the interventions for the verification of the technical qualitative requirements (reg. CEE 2496/98), tests for public and private supply, experts interventions, according the order and the modalities established by the Board of Directors;
- f) proceeds derived by transactions or agreements;
- g) voluntary and encouragement contributions paid by the Consortium members and by third parties, Public and Private Corporations, and possible donations or bequests.

#### **ART. 11) Management Resources**

The management necessity is fulfilled with:

- a) the annual association fee due to the Consortium members;
- b) association contributions for the management of the protection, promotion and general attention to the Protected Designation Origin Provolone Valpadana cheese, included the use of the marks constituting the Protected Designation Origin itself;
- c) proceeds deriving from possible services carried out;
- d) contributions in management account of Public or Private Corporations.

The size of the contributions referred to in clause b) is determined, by resolution of the Board of Directors, proportionally to the quantities of controlled and/or certified product by the Control Body; for the categories of the milk producing breeders and of the seasoners the size of the contributions cannot be superior to the respective representative percentages established in the following article 15.

The fees related to the categories of the milk producing breeders and of the seasoners, unpaid, burden exclusively on the dairies producing the Protected Designation Origin Provolone Valpadana cheese.

The contributions fee, referred to the above-mentioned letter b), related to the category of the producing dairies, is divided, according to the M.D. of the Ministry for Agricultural and Forestry Policies n. 410, of 12<sup>th</sup> September 2000, among all the subjects involved in the same category, even if not adhering to the Consortium.

#### **ART. 12) Consortium Bodies**

The Consortium Bodies are:

- a) the Assembly
- b) the Board of Directors
- c) the President
- d) the Board of Auditors
- e) the Board of Arbitrators, in case it is appointed and in case it is necessary.

### **ART. 13) Assembly**

The Assembly represents the totality of members and its resolutions oblige all the members, including those who are dissentients and/ or those who have not intervened.

The Assembly can be ordinary and extraordinary.

The ordinary Assembly:

- approves the final balance
- appoints the Board of Directors
- appoints the Board of Auditors and its President, establishing the possible remuneration;
- approves the Regulations drawn up by the Board of Directors;
- establishes the entrance fee of the new members
- decide about other objects examined;
- appoints the components of the Board of Arbitrators (in case established).

The extraordinary Assembly:

- modifies the statute;
- extends the duration of the Consortium;
- appoints and establishes the powers of the official receivers;
- decides in the other legal cases.

The modifications of the Statute and of the Regulations come into force after the approval of the relevant Ministry.

### **ART. 14) Convocation**

The ordinary Assembly has to be convened at least once a year, within four months from the closing of the corporate business, and in case it is required by the Board of Auditors or at least by a third of the consortium members, specifying the matters.

The notice has to be sent by letter by recorded delivery at least seven days before of the established day of the meeting and it has to specify the date, the time and the place of the first convocation and possibly of the second convocation, possibly fixed on the same day with indication of the matters to deal with.

In case of justified necessities, the Assembly for the approval of the balance can be convened also within six months from the closing of the corporate business.

The extraordinary Assembly is convened by the Board of Directors for matters of competence and when required by the Board of Auditors or at least by one third of the Members specifying the matters.

The notice has to be sent by letter by recorded delivery at least seven days before of the established day of the meeting and it has to indicate the date, the time and the place of the first convocation and possibly of the second convocation, possibly fixed on the same day, with specification of the matters to deal with.

### **ART. 15) Members participation to the Assembly**

The members recorded in the Register of Members can attend the Assembly.

The members have the right to vote if recorded in the Register of Members from at least three months.

The member can delegate another member by written authorization , signed by the member himself or by the legal representative, in case of a body corporate member, and consign it to the President of the Assembly before the meeting starts.

Each member cannot dispose of more of two written authorizations.

In case of societies or associations, the written authorization is decided by the Board of Directors.

Each member has the right to vote for the category/categories of the chain represented in proportion to the quantity of the produced Protected Designation Origin Provolone Valpadana cheese, to the

ripe Protected Designation Origin Provolone Valpadana cheese, to the milk destined to the production of the Protected Designation Origin Provolone Valpadana cheese.

In proportion to the represented quantities of products, each member can dispose of votes for each category of the chain that the member himself represents.

For each category, the votes are reported as follows:

- 66% to the producers of Protected Designation Origin Provolone Valpadana cheese;
- 17% breeders producing milk destined to Protected Designation Origin Provolone Valpadana cheese;
- 17% to the seasoners of Protected Designation Origin Provolone Valpadana cheese.

The above-mentioned distribution of votes is to consider in case all the companies that compose the production chain of the Protected Designation Origin result to be partners.

The above-mentioned percentages proportionally reduce, according to each single category, in case of non- participation on behalf of the subjects of the chain.

The vote is, generally, by show of hands but it could be also required the vote by ballot paper, especially for the renewal of the company's offices.

The necessary data in order to calculate the mentioned values are annually supplied to the Consortium by the Control Body authorized for the Protected Designation Origin or backed by the Control body itself.

On the basis of the above-mentioned data, the values of vote of the single members whose total is reported at 100% are calculated by the Consortium before of the Assembly, and however they are annually calculated.

#### **ART. 16) Presidency of the Assembly**

The Assembly is chaired by the President of the Board of Directors and in case of his absence or impediment by the Vice President or by another person appointed by the Assembly.

The Assembly appoints a Recording Secretary, even not a member and, if necessary two scrutineers.

#### **ART. 17) Majorities**

The Assembly, both ordinary and extraordinary, is valid in the first meeting with the presence of the majority of the Members having right to vote and the majority of the votes; in the second meeting it is valid whatever the number of Members having right to vote is and it decides by the majority of the votes of the people present.

As far as modifications to the Statute are concerned, the approval of the two thirds of the value of the vote of the present or represented members.

It is drawn up a register of the Assembly resolutions by the Secretary and it will be signed by the Secretary himself and by the President of the Assembly.

#### **ART. 18) Board of Directors**

The Consortium is run by a Board of Directors elected by the Assembly, composed from 5 to 9 members, chosen among the Members or among people designated by the Members themselves.

In case during the mandate the member Director or legal representative of the member looses for any reason or cause the capacity of member, he will automatically loose the office of Director and in this case the Board will provide for his co-optation.

The Assembly determines its number, guaranteeing the representation of the involved categories: dairies, seasoners and milk producing breeders.

The charge of the Directors lasts three years; the outgoing Directors can be reelected.

In case during the mandate a Director runs out, the Board of Directors provide for his substitution with a member of the same category; the co-optation undergoes the confirmation of the first Assembly.

The Director, so elected, remains in charge until the term of the Board of Directors.

During the election of the Board of Directors it has to be paid attention to the fact that the categories of the members are represented, except the necessary rounding offs, with the same proportion of the assembly's vote values.

To the meetings of the Board of Directors can be invited with right of speech, but not with the right of vote, the sector experts individuuated from time to time by the President.

In accordance with the law no. 154 date July 28<sup>th</sup> 2016 and with the Presidential Decree D.P.R. no. 251 date November 30<sup>th</sup> 2012 and following modifications and/or supplements, in order to ensure the gender balance within the corporate bodies, the collegial body shall be such as to ensure that the least represented gender counts at least one third of the members of each corporate body. Even if women's candidatures are present, in case no one results to be elected, the related appointment in the place of the last elected member will be carried out up to achieving the percentage established, rounding off the upwards up to the next unit.

#### **ART. 19) Meetings of the Board of Directors and related resolutions**

The Board of Directors is convened by the President or when it is required by at least one third of the directors or by the Board of Auditors.

The convocation expressed by letter will have to indicate the date, the time, the place and the matters to deal with and it will have to be sent at least five days before of the date by second class mail or, in case of attested urgency, with a two days notice by fax, telegram or e-mail to the residence of each director.

For the validity of the meetings it is necessary the presence of the majority of the directors.

The Board considers itself regularly convened even without the above-mentioned formalities, when all of its components and the Board of Auditors' components are present.

The resolutions are taken by the majority of the people present and in case of equality prevails the vote of whom is chairing the meeting.

#### **ART. 20) Board of Directors- Remuneration**

To the components of the Board of Directors is due the refund of the expenses met on behalf of the Consortium.

The Assembly can decide an attendance fee or emoluments.

#### **ART. 21) Powers of the Board of Directors**

The Board of Directors is invested with the widest powers for the ordinary and extraordinary management of the Consortium, without any exception, and especially it is recognized all its authorities for the achievement of the aims of the Consortium, that are not reserved to the members Assembly by the law or by this Statute.

In particular:

- it convokes the ordinary and extraordinary Assembly;
- it follows the execution of the Assembly resolutions;
- it appoints the President, the Vice President and the Treasurer;
- it decides about the admission, withdrawal and loss and about the possible exclusion of members;
- it registers the Balance Sheet established by the Civil Code;
- it draws up the final balance;
- it draws up the estimate and the related costs distribution among the subjects of the chain, that has to undergo, if required, the ministerial approval;
- it recruits and it dismisses the staff, establishing functions, payments and assignment;
- it appoints Committees and Commissions with advisory and proposal functions;
- it decides the management resources referred to art. 11 and it determines possible quality marking contributions due to the Consortium;
- it proposes the production Specifications of the Protected Designation Origin and their possible following modifications that have to undergo the approval of the relevant Bodies;

- it approves the qualitative and structural improvement programs;
  - it notifies to the Ministry for Agricultural and Forestry Policies the Control Body of the Protected Designation Origin as per the norm in force;
  - it decides also regarding judicial actions, to settle and submit to arbitration, buying or selling real estates, renouncing to legal mortgages, allowing registrations, cancellations and/ or postponement of mortgages, doing transactions with the national debt, with the Deposits and Loans Bank and with every other office both public and private.
  - it decides about the cases of breach of the Statute, of the resolutions and of the regulations;
  - it does all the necessary deals in order to achieve the corporate aims;
- The Board of Directors shall be able to delegate specific duties to the President, to the Vice President, to one or more directors or to others, individuated when required.

#### **ART. 22) President – Vice President – Treasurer Councillor**

The Board of Directors at its first meeting and during each renewal appoints, among its members, a President, a Vice President and a Treasurer.

The President is the legal representative of the Consortium before third parties and before the court. In case of absence or impediment the representation goes to the Vice President.

The corporate signature is responsibility of the President and in case of absence or impediment of the Vice President, according to what above-mentioned.

In case of urgency the President can take decisions about matters of the Board of Directors' competence; these resolutions have to undergo the confirmation, during the first valid meeting, of the Board of Directors.

The President is authorized to collect from the Public Administration or by private individuals payments of any kind and at any title, giving a releasing receipt.

The corporate signature can be delegated also to one or more directors or to attorneys for the carrying out of special functions, both jointly and separately, and it could, for the execution of its resolutions, assign special duties to its own members and also advisors particularly competent for every single sector.

#### **ART. 23) Board of Arbitrators**

The Assembly can appoint the Board of Arbitrators composed of three members chosen among non-members of the Consortium.

Their office lasts three years and they can be reelected.

The single members and the Consortium have to leave to the decisions of the Board of the Arbitrators the resolution of all the disputes related to the interpretation of the dispositions written in this Statute and in the Regulation, as well as of those deriving from the resolutions of the Assembly or of the Board of Directors.

The Board have to consent to decide all the other possible disputes that the Consortium's members would deem necessary to present to it, if they deal with matters that regard the corporate relations or the business relation between the Consortium and the members and that can be object of agreement. The directors and the staff depending on the Consortium have to give the Arbitrators the information and the explanations possibly required.

The Arbitrators decide, as out-of-court arbitrator components, with dispensation from any formality. They have not the obligation to present their decisions to the registered formalities established by the Code of Civil Procedure.

The appeal to the Board of Arbitrators has not suspensive effect.

The disputes will have to be defined by the Arbitrators within three months from the date in which the disputes themselves have been submitted to them.



**ART. 24) Board of Auditors**

The Assembly appoints three effective Auditors, of which one as President of the Board, as well as two substitute Auditors.

The Auditors can be chosen also among the non-members, their office lasts 3 years and they can be reelected.

The effective Auditors are invited to all the meetings of the Board of Directors and to the Assemblies; to them is owed a remuneration, if established by the Assembly and on proposal of the Board of Directors.

The President of the Supervisory Board and at least one substitute Auditor shall be recorded in the Register established by the Ministry of Justice.

**ART. 25) Corporate Business**

The corporate business of the Consortium goes from 1<sup>st</sup> January to 31<sup>st</sup> December of every year.

**ART. 26) Regulations**

The operating assets of the Consortium can be regulated by the enforcing Regulations expressed by the Board of Directors, approved by the Assembly and sent to the relevant Public Authorities for the necessary approvals. In any case, the Regulations cannot modify the production Policy documents nor this Statute.

**ART. 27) Sanctions**

In case of breach of the Statute, of the Regulations and of the resolutions, the Board of Directors can impose sanctions and require the refund of the property and moral damage caused to the Consortium.

**ART. 28) Dissolution and liquidation**

In case of dissolution it will be appointed an official receiver.

The appointment of the official receiver and the modalities of liquidation are established by the Assembly according to the provisions of the law.

**ART. 29) Temporary and final laws.**

Regarding what is not expressed in this statute, the laws of the Civil Code and of any other provisions of law on the matter are valid.

SIGNED BY LIBERO GIOVANNI STRADIOTTI

SIGNED BY GIUSEPPE CRISTALDI, NOTARY (L.S.)

This copy complies with the original copy filed in the acts I hold and it is issued on unstamped paper for all uses allowed by law.

CREMONA, February 20<sup>rd</sup>, 2017