

Standard Statute of a Cooperative

Article 1 – General provisions

1. A cooperative (coop.) is a company (legal person) established in accordance with the Law of Georgia on Entrepreneurs, which is based on the labour activity of its members or incorporated to support the economic or social activities of its members, the objective of which is to satisfy the needs of its members, and the primary goal of which is not to make profit.
2. The capital of a cooperative is divided into shares.
3. A cooperative shall be deemed established and shall obtain the status of a legal person from the moment of its registration with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities.
4. The rules of operation of a cooperative shall be determined by the legislation of Georgia and this Statute. The issues that are not regulated by this Statute shall be governed by the applicable legislation.
5. This Statute is a part of the instrument of incorporation concluded between the partners, that expresses their mutual will and is binding on them. The provisions of this Statute shall be binding not only on the founders of a cooperative, who are partners at the moment of the incorporation of the cooperative, but also on those who will become partners of the cooperative in the future.
6. A partners' agreement shall be based on general principles of good faith and mutual respect between the partners, and of making decisions lawfully and with diligence. The partners shall observe the basic principles of business activities determined by the applicable legislation.
7. In order to earn profit, a cooperative shall have the right to carry out any activity that is not prohibited by law, despite whether such activity is provided for by the instrument of incorporation. An activity that may be carried out under law only on the basis of a special licence/permit/authorisation, shall be permitted only from the moment of obtaining the relevant licence/permit/authorisation.
8. In order to achieve its goals, a cooperative may own property, acquire property rights and personal non-property rights, and undertake obligations. It may also act in legal relations on its own behalf, enter into transactions both in Georgia and abroad in accordance with law, determine the contents of such transactions, enter into transactions that are not provided for by law, although do not contradict law, as well as acquire property and non-property rights and undertake obligations, and be a plaintiff (claimant) and/or defendant before a court.
9. The liability of a cooperative to its creditors shall be limited to its own assets.
10. A cooperative shall be liable to the creditors with all its assets, which means that the members and managers of the cooperative shall not be liable for the obligations of the cooperative. A member of a cooperative shall be personally liable to the

creditors of the cooperative if such member abuses the legal forms of limited liability. A cooperative shall not be liable for the obligations of its members.

11. A cooperative shall be independent in its activities. It shall make decisions on the matters that are important to it by itself. A cooperative shall consist of relevant bodies that manage and represent it. The management bodies of a cooperative and their powers are determined by the instrument of incorporation. Moreover, such bodies shall carry out activities only within the scope of powers granted to them.

12. A cooperative shall have an independent balance and it may also have an account in banking institutions in Georgia or abroad, as well as an electronic seal or stamp, a headed paper and an emblem. A cooperative shall have the right to open accounts at any bank in both national and foreign currencies.

13. A cooperative shall have the right, according to the established procedure, to establish its undertakings, branches and representations both in the territory of Georgia and abroad, also to participate in the establishment of other organisations and undertakings. A cooperative shall have the right to join different types of associations of companies.

Article 2 – Members of a cooperative and their rights and obligations

1. A member of a cooperative shall be a person that owns shares in the cooperative. A member of a cooperative may be both a natural person and a legal person. A cooperative shall be established by at least five founders.

2. The members of a cooperative shall have the rights and shall undertake the obligations determined by this Statute and the applicable legislation of Georgia.

3. In equal circumstances, members shall have equal rights and obligations. An exception may be made only if expressly provided for by law or this Statute, and necessary in the interests of a cooperative.

4. Members of a cooperative may alienate their shares at any time during the course of the business year, and in this way withdraw from the cooperative without final settlement. In the case of the alienation of shares, the date of withdrawal of a member from a cooperative shall be the day of the registration of such withdrawal.

5. Members shall have the right to participate in the management of a cooperative in accordance with the rules and procedures established by this Statute and the applicable legislation.

6. The holders of shares of the same class shall have the same rights and obligations. A member of a cooperative may hold several shares.

7. The members of a cooperative may obtain, at their own expense, requested copies of the annual accounts and the report of the management body.

8. A member of a cooperative shall have the right to look through the minutes of a general meeting and to obtain a copy of or an extract from the minutes of a general meeting.

9. Liability for the obligations undertaken on behalf of a cooperative before its registration shall be assumed, directly and with no limitation, by the founding members of the cooperative and the persons performing the actions which led to the origination of such obligations, as joint and several debtors, unless otherwise agreed with a creditor.

10. The rights acquired and the obligations undertaken on behalf of a cooperative before its registration, if approved by the cooperative, shall become the rights and obligations of the cooperative. In such case, the founding members of the cooperative and those persons whose actions led to the origination of such rights and/or obligations shall be exempted from such obligations, unless otherwise agreed with a creditor.

11. Profit or loss for the first business year shall be distributed in proportion to the contributions made by the members of the cooperative, and the profit or loss for each succeeding business year shall be distributed by adding up profits and writing off losses in proportion to the total amount of shares at the end of the previous business year.

Article 3 – Acquisition of membership, and withdrawal and/or expulsion of a member from a cooperative

1. A candidate who wants to become a member of a cooperative shall submit a written application for cooperative membership. The candidate's application shall include the obligation of the cooperative member to make established contributions in accordance with law and the Statute.

2. A decision on the acquisition of membership shall be made by the management body of the cooperative by a majority of votes. Candidates refused membership of the cooperative may appeal to the general meeting.

3. The management body shall register the information on the acquisition of membership with the register of cooperative members. Membership of the cooperative shall take effect from the moment of the registration of candidates with the register of cooperative members on the basis of their application.

4. Membership of a cooperative may be terminated on the following grounds:

- a) the withdrawal of a member from the cooperative;
- b) the expulsion of a member from the cooperative;
- c) the alienation of all shares by a member of the cooperative;
- d) the revocation of registration of a member of the cooperative, which is a legal person;
- e) the death of a member of the cooperative.

5. A member of a cooperative shall have the right to withdraw from the cooperative. A member of a cooperative may withdraw from the cooperative only at the end of a

business year. An application for the withdrawal from a cooperative shall be submitted in writing, at least three months prior to the withdrawal.

6. The management body of a cooperative shall make amendments to the register of cooperative members in relation to the withdrawal of a member from the cooperative.

7. A substantiated reason for the withdrawal of a member from a cooperative shall be immediately entered in the register of cooperative members. A member shall be considered withdrawn from a cooperative from the moment of registration with the register of cooperative members of such withdrawal from the cooperative.

8. The final settlement with a withdrawing member shall be carried out within six months after such withdrawal on the basis of a balance sheet of the cooperative prepared as of the day of the withdrawal from the cooperative, in the form of compensation for the shares held by such member. The amount of compensation shall be calculated according to the contributions made by the withdrawing member and his/her/its portion in the retained earnings. A withdrawing member may not claim any other asset of the cooperative.

9. If a member of a cooperative dies, membership shall devolve to the successors of such member.

10. Where there are significant grounds, a member of a cooperative may be expelled from the cooperative. There are significant grounds if a member of a cooperative has culpably violated undertaken obligations, inflicting damage on the cooperative.

Article 4 – Register of cooperative members

1. The management body of a cooperative shall keep a register of cooperative members, which shall contain the identification data of each member of the cooperative, and the number and class of shares held by them.

2. The register of cooperative members shall be accessible to all members of the cooperative. The register of cooperative members shall also be available on the website (if any) of a cooperative. The management body of a cooperative shall be responsible for fulfilling that obligation.

3. Acceptance of new members to a cooperative, or the withdrawal of members, as well as a change in shares or the acquisition of new shares, shall take effect only from the moment of their registration with the register of cooperative members.

4. An event, the registration of which is mandatory, shall be registered with the register of cooperative members within one month after its occurrence.

Article 5 – Capital

1. The subscribed capital of a cooperative may be determined by the instrument of incorporation of the cooperative.

2. The subscribed capital of a cooperative may be increased by accepting additional members to the cooperative and by them making contributions, as well as by fully

paying up the remaining contributions or by making additional contributions by the members of the cooperative.

Article 6 – Managing bodies of a cooperative

1. A cooperative shall have a one-tier management system. The managing bodies of a cooperative shall be: the management body and the general meeting.
2. The management bodies of a cooperative and their members shall carry out their activities and make decisions only within the scope of authority determined by law and/or this Statute.

Article 7 – General meeting

1. The members of a cooperative shall exercise their rights in relation to the activities of the cooperative in the general meeting, unless otherwise provided for by law.
2. The members of a cooperative may participate in the work of the general meeting and exercise their voting rights either personally or through a proxy holder. A person in respect of whom an issue is being discussed in a general meeting may not exercise a voting right.
3. The general meeting shall be convened at least once a year, unless otherwise specifically provided for by law. The annual meeting of partners shall be convened within six months after drawing up an annual balance sheet.
4. The annual meeting of partners shall be the highest body of the cooperative.
5. The general meeting shall be convened by the management body of a cooperative, unless the authority to convene the general meeting is granted to another person by law.
6. The general meeting shall be immediately convened if 10 % of the members of a cooperative request in writing that the general meeting be convened, indicating a specific purpose. If the request of the members of a cooperative on convening the general meeting is not granted, a court may authorise the requesting members to convene the general meeting.
7. The general meeting shall be convened at least one month prior to the date of the general meeting by publication of the relevant information on the authorised user's page of the electronic platform of the Legal Entity under Public Law called the National Agency of Public Registry operating under the governance of the Ministry of Justice of Georgia (hereinafter 'the registration authority').
8. The agenda of the general meeting shall be made available upon convening the general meeting, on the authorised user's page of the electronic platform of the registration authority. Information on the agenda of the general meeting shall be included in information disseminated in any other form, by which the general meeting is convened.

9. Issues that are not on the announced agenda of a general meeting shall not be decided at the general meeting. Exceptions shall apply to decisions on conducting a general meeting, as well as on convening an extraordinary meeting of partners.

10. A statement on convening the general meeting shall include the following information:

- a) the brand name of the cooperative;
- b) the place, date and time of holding the general meeting;
- c) an indication on whether it is an annual or an extraordinary meeting of partners;
- d) the agenda of the general meeting. A statement on convening the general meeting shall also state the possibility of submitting proposals about and addenda to the items on the agenda of the general meeting.

11. The general meeting shall elect the chairperson of the general meeting. Before the election of the chairperson of the general meeting, or if the chairperson of the general meeting is not elected, the general meeting shall be chaired by a person convening it, the chairperson of the convening body or the head of the convening legal person or, if the general meeting was convened by more than one person, it shall be chaired by a person selected by casting lots from among the convening persons or the heads of the convening legal persons.

12. The general meeting shall adopt decisions by a majority of the votes of participants in the voting, unless a greater number of votes or other additional conditions are provided for by law and/or this Statute.

13. The amendments to the instrument of incorporation/a new Statute of a cooperative shall be adopted by a majority of three quarters of the votes of participants in the voting.

14. Each member of a cooperative shall have one vote, unless one share is held by more than one holder, in the case of which more than one holder of one share shall have one vote.

15. The annual meeting of partners shall make decisions on the following issues:

- a) approval of the annual accounts;
- b) approval of the work performed by the management body of the cooperative during the year;
- c) using annual profit or covering annual loss.

16. The exclusive authority of the general meeting entails adopting decisions on the following issues:

- a) amending the instrument of incorporation/adopting a new statute of the cooperative;
- b) changing the legal address of the cooperative;
- c) changing the brand name of the cooperative;
- d) increasing the number of shares;

- e) imposing or expanding the obligation to make additional contributions with the consent of the holders of the respective shares;
- f) accepting investor members into a cooperative or determining their voting rights;
- g) introducing or expanding multiple voting rights;
- h) dividing the shares.

17. The general meeting shall make the decisions provided for by paragraph 16 of this article by a majority of votes of the participants in the voting. Decisions made by the general meeting on the issues determined by paragraph 16 of this article which amend the instrument of incorporation/adopt a new Statute, as well as on the issues determined by paragraph 16(a)-(c) of this article, shall be notarised.

18. Decisions made by the general meeting on the issues determined by paragraph 16(a)-(c) of this article shall take effect from the moment of their registration with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities.

19. The minutes of a general meeting shall be signed by the chairperson of the general meeting and the members of the management body of a cooperative attending the general meeting. The materials for convening the general meeting shall be attached to the minutes of the general meeting.

20. The decisions made by the general meeting within its scope of authority shall be binding for the partners and management body of the cooperative.

21. The decision/minutes of the general meeting shall be valid if all the following conditions are met:

- a) the general meeting has been convened by an authorised body/person according to the procedure established by law and this Statute;
- b) the decision/minutes of the general meeting have been drawn up/certified according to the procedure established by law;
- c) a written notice published on the authorised user's page of the electronic platform on convening the general meeting contains the agenda of the general meeting, the brand name of the cooperative, and the place, date and time of the general meeting;
- d) the procedure for serving upon the partners a notice on the decision to convene the general meeting has been observed;
- e) the matter to be discussed at the general meeting falls within the scope of authority of the general meeting;
- f) the decision to amend the instrument of incorporation/to adopt a new Statute does not contravene law;
- g) the decision does not contravene the provisions of law whose primary purpose is the protection of creditors' rights;
- h) the decision does not contravene public order or moral standards.

22. The decision/minutes of the general meeting may be appealed in court.

23. Managers shall immediately submit to the registration authority a legally effective court decision on invalidating a decision of the general meeting, if registration has already been effected on the basis of an appealed decision of the general meeting.

24. Managers shall immediately publish information on the court decision concerning the invalidity of the decision of the general meeting, or a part of it, on the website of the cooperative, or otherwise inform the partners in this regard.

Article 8 – Management body of a cooperative and its authority

1. The manager/management body of a cooperative shall be granted the authority to manage and to represent the cooperative in relations with third parties.

2. A manager of a cooperative shall, under his/her responsibility, manage the cooperative and represent the cooperative in relations with third parties.

3. The management body of a cooperative shall comprise at least two members.

4. A manager of a cooperative shall be elected by the general meeting for a term of not more than three years.

5. A manager may be recalled from membership of the management body at any time, if such decision is supported by two thirds of the participants of the general meeting.

6. The members of the management body shall perform the functions of the chairperson of the management body in turn, on an yearly basis.

7. A meeting of the management body shall be authorised to adopt decisions if attended by a majority of its members. The members of the management body shall adopt decisions by a majority of the members attending the meeting.

Article 9 – General principles of managing a cooperative

1. A manager shall conduct the business of the cooperative legitimately and with the diligence of a manager in good faith, in particular, he/she shall take care as an ordinary person of sound mind under similar circumstances would take care/act, in the belief that his/her actions are in the best economic interests of the cooperative.

2. A manager shall be liable to the cooperative for any damage incurred as a result of his/her culpable failure to fulfil the duty of good faith. The manager's liability for intentional failure to fulfil the duty of good faith may not be limited.

3. The management body, another manager, or in the cases and according to the procedure provided for by law, each partner, shall have the right to claim compensation for any damage inflicted by a manager on the cooperative.

4. A manager shall be exempted from liability if he/she is carrying out a decision of the general meeting, unless he/she has contributed to the decision of the general meeting by providing incorrect information, or if he/she knew that such decision would result in damage, and failed to notify the general meeting thereof before making or carrying out the decision.

5. If a transaction value exceeds 50 % of the book value of the assets of the cooperative, the transaction shall be approved by the general meeting.

6. If a cooperative is insolvent or at the risk of insolvency, a manager shall, without culpable delay but not later than three weeks from the moment the cooperative becomes insolvent, file an application for insolvency according to the procedure established by the Law of Georgia on Rehabilitation and the Collective Satisfaction of Creditors' Claims. The application for insolvency shall not be considered to be culpably delayed if the manager duly fulfils the duty of care.

7. There is no violation of the duty of care, and a manager is not obliged to compensate for any damage incurred by the cooperative as a result of his/her business decision, if the manager could have reasonably believed that he/she made the business decision on the basis of sufficient and reliable information, in the interests of the cooperative, independently, and without any conflict of interest or another person's influence. The above provision shall not apply if a business decision is made in violation of the duties provided for by law or this Statute.

8. Without the consent of a cooperative, a manager shall not have the right to carry out the same activities that are carried out by the cooperative, or to be a manager of another company operating in the same field. Under the service agreement concluded with a manager, the above obligation may remain in force even after the dismissal of the manager, but for not longer than three years. Compensation may be provided for the violation of the said obligation. The amount and the procedure for payment of the compensation shall be determined by the service agreement or an additional agreement between the parties. In the case of a violation of the rules on prohibition of competition, a cooperative may require from the violator, in addition to compensation for the damage incurred by the cooperative, that he/she pay an agreed penalty. Instead of the compensation for damage, a cooperative may require from a violator that he/she transfer to the cooperative any profit earned from the transactions conducted on behalf of the violator or a third party, or to cede the right to earn such profit. Such right may be exercised by the management body, another manager, or in the cases provided for by law, by each partner.

9. In the case of a cooperative, the consent to carry out the activities determined by paragraph 8 of this article may be given by the general meeting. The consent may be given for general as well as specific activities, and/or types of transaction, and participation in the company. Such consent shall not be unreasonably withheld. The consent for any activity shall be considered given if, at the time of the appointment of a manager of the cooperative, the partners knew that the manager of the cooperative was carrying out such activity but they did not require him/her to stop.

10. Without the prior consent of a cooperative, a manager shall not have the right to take advantage, for personal benefit or for the benefit of other persons than the cooperative, of business opportunities related to the field of activities of the

cooperative, which he/she became aware of while performing his/her official duties or on account of his/her position, and which may reasonably have been a subject of interest for the cooperative. The prior consent of a cooperative shall not be required if the general meeting has already discussed such opportunities and refused to take advantage of them. The above obligation shall remain in force for not more than three years after the dismissal of a manager. The service agreement concluded with the manager may provide for a shorter period. Prior consent to take advantage of the business opportunities may be given by the general meeting.

11. If the rule of prohibition of misappropriation of business opportunities is violated, a cooperative may require from the violator compensation for any damage (including lost profits) incurred by the cooperative as a result of such violation. Instead of the compensation for damage, a cooperative may require from a violator that he/she transfer to the cooperative any profit earned from the transactions conducted on behalf of the violator or a third party, or to cede the right to earn such profit. Such right may be exercised by the management body, or in the cases provided for by law, by each partner.

12. If an obligation is not fulfilled as a result of any action or omission of more than one manager, they shall be jointly and severally liable to the cooperative.

13. The general meeting may decide to waive or settle a claim in respect of damage inflicted on the cooperative by a manager, unless such decision is objected to by partners holding at least 10 % of votes. A manager shall also be exempted from liability for the damage incurred by a cooperative if, by his/her actions, the manager was fulfilling a decision of the general meeting. A manager, whose exemption from liability for damage incurred by the cooperative is being discussed, shall not participate in the voting on that issue.

14. The liability of a manager for damage incurred by a cooperative as a result of his/her deliberate failure to perform his/her duties may not be excluded from a service agreement concluded with the manager.

Article 10 – Winding-up and reorganisation of a cooperative

1. The following shall be the grounds for the winding-up of a cooperative:

- a) a decision of the partners of the cooperative on the winding-up of the cooperative;
- b) a violation of the requirements of law regarding the mandatory number of partners of the cooperative;
- c) the entry into force of a court judgment in a criminal case concerning the liquidation of a legal person;
- d) a court decision on the winding-up of the cooperative based on an application/lawsuit of a partner of the cooperative.

2. The winding-up of a cooperative shall be carried out according to the procedure established by the Law of Georgia on Entrepreneurs.

3. Where there are significant grounds, a cooperative may be wound up by a court decision on the basis of a partner's application/lawsuit. Significant grounds exist if one of the partners has violated, intentionally or by gross negligence, any significant obligation imposed on him/her/it by law or this Statute, or if the partner no longer fulfils his/her/its duties and the goals of the cooperative can no longer be achieved.
4. A partner may redeem through a court, at a fair price, the shares of a partner who has filed to the court an application for the winding-up of a cooperative, within 30 days after such application has been filed. In that case, each partner shall be allowed to participate in the redemption of the shares in proportion to their shares, unless the other partners have agreed on a different procedure for distributing the shares.
5. A cooperative may be reorganised in the following forms:
 - a) the conversion of the cooperative;
 - b) the merger with another company (a merger by acquisition or a merger by the formation of a new company);
 - c) the division of the cooperative (division or separation).
6. The reorganisation of a cooperative shall be carried out according to the procedure established by the Law of Georgia on Entrepreneurs.
7. The rights and obligations of the partners as provided for by the Law of Georgia on Entrepreneurs shall be taken into consideration in the process of winding-up and reorganisation of a cooperative.
8. The liquidation of a cooperative shall be jointly administered by its managers, who shall be appointed as liquidators, unless a decision of the general meeting provides for the appointment of other persons as liquidators.
9. The liquidators shall immediately notify the creditors of the winding-up of a cooperative by publishing an appropriate announcement on the authorised user's page of the electronic platform of the registration authority or on their websites, and invite them to submit their claims.
10. A liquidator shall meet the requirements set out for the managers of a company.
11. The general meeting shall be authorised to dismiss a liquidator at any time, unless the liquidator is appointed by a court.
12. A manager shall submit an application to the registration authority for the registration of liquidator(s) with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities. A partner shall have the right to submit such application to the registration authority. A document on the appointment or dismissal of a liquidator and on the liquidator's powers, certified in accordance with the legislation, a specimen signature of the liquidator, and if the liquidator is not a manager, the consent of the liquidator, shall be attached to the application. In the case of any change of liquidators or their powers, the liquidators shall submit an application for the purpose of registration of the changes with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities.

13. When carrying out activities related to liquidation, liquidators shall have the same rights and obligations as managers, except for the prohibition of competition. The duty of care in special circumstances shall apply to liquidators. The liquidators are obliged to finish current operations, sell assets and cover the obligations of the cooperative. Liquidators shall have the right to enter into new transactions, if they are necessary for liquidation.

14. The assets of a cooperative that goes into liquidation shall be distributed among its partners based on the rights attached to their shares.

15. If contributions were not made in full, initially the contributions or their equivalent value shall be returned, and the remaining assets shall be distributed based on the rights attached to the partners' shares.

16. If the assets are not enough to return the contributions, the remaining assets shall be distributed based on the rights attached to the shares, or where the contributions were not made in full, in proportion to their paid-up portions.

17. The assets of a cooperative may be distributed only after five months from covering the liabilities of the cooperative and publishing an announcement on the winding-up of the cooperative. Based on a court decision, the assets of a cooperative may be distributed after three months from publishing an announcement on the winding-up of the cooperative, if there is an independent auditor's report to the effect that all liabilities have been covered, and in the current circumstances, the distribution of assets does not prejudice the rights of third parties.

18. If known creditors fail to submit their claims, the assets of a cooperative may be distributed only after depositing the equivalent value of their claims in the deposit account of a court or a notary public.

19. If a claim is disputable or has not matured, the assets may be distributed only if a creditor is offered a security equivalent to the claim.

20. A cooperative which is wound up on the basis of the partners' decision may continue to exist if so decided by the general meeting by a majority of three quarters of the votes of the participants in the voting, and if the distribution of the assets of the cooperative among the partners has not begun.

21. A decision on a wound up cooperative continuing its existence shall be submitted to the registration authority by the liquidators for registering with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities. The liquidators shall also prove that the distribution of the assets of the cooperative among the partners has not begun.

22. A decision on a wound up cooperative continuing its existence shall enter into force only after its registration with the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities.

23. Complete distribution of the assets of a cooperative shall result in the completion of its liquidation. The liquidation proceedings shall be completed not later than four

months after the registration of the commencement of the liquidation, or if the timeframe for a tax audit has been extended, not later than one month after the registration authority receives information on the completion of the tax audit.

24. The liquidators shall apply to the registration authority with a request to register the liquidation, on the basis of which the registration authority shall revoke the registration of the cooperative.

Article 11 – Accounting, reporting and audit

1. Accounting, and the preparation, submission and audit of financial statements of a cooperative, shall be carried out in accordance with the Law of Georgia on Accounting, Reporting and Audit.

2. The participation of the partners and the members of the management body of the cooperative in the audit shall not compromise an auditor's independence and objectivity.

3. The managers of a cooperative shall be jointly responsible for the preparation and submission of financial statements in accordance with the Law of Georgia on Accounting, Reporting and Audit.

Article 12 – Final provisions

1. This Statute may be amended by the Minister of Justice of Georgia. In the case of any discrepancy between the Law of Georgia on Entrepreneurs and this Statute, the former shall prevail.

2. The declaration of any provision of this Statute as invalid shall not affect the validity of other provisions of this Statute.