

## ARTICLES OF ASSOCIATION

### A- NAME – REGISTERED OFFICE – DURATION – PURPOSE

#### Art. 1 - Name

The name of the organisation shall be Luxembourg Private Equity and Venture Capital Association (hereinafter, the "a.s.b.l."). It takes the form of a non-profit organisation.

The acronym of the a.s.b.l. is "LPEA".

#### Art. 2 - Registered Office

The registered office of the a.s.b.l. is established in Luxembourg City, Grand Duchy of Luxembourg.

#### Art. 3 - Duration

The a.s.b.l. is incorporated for an unlimited duration.

#### Art. 4 - Purpose

The purpose of the a.s.b.l. is:

- > to promote and defend the interests of investors and professionals principally active in the field of venture capital and private equity, in the broadest sense of these terms;
- > to foster in general and in particular private equity and venture capital in Luxembourg;
- > to defend the professional interests of affiliated members.

It seeks to achieve these objectives, in particular, by:

- > ensuring the promotion of the missions of active professionals in the field of private equity and venture capital;
- > defending the interests of professionals active in the field of private equity and venture capital with respect to authorities or other professional associations (such as the European Private Equity & Venture Capital Association (EVCA)), in particular by becoming a member of such professional associations and/or by serving in various decision-making and/or consulting organisations, nationally as well as internationally;
- > organising seminars and other meetings;
- > developing, at a central level, initiatives related to its purpose.

### B- TERMS OF ADMISSION AND RESIGNATION OF MEMBERS

#### Art. 5 - Members

The number of members of the a.s.b.l. is unlimited. However, there may not be less than three.

The a.s.b.l. is composed of:

- > full members, who serve as a principal initiator in a profession or activity relating to private equity or venture capital;
- > associate members, who work in jobs related to or exercise ancillary activities in private equity or venture capital.

The members of the a.s.b.l. must be Luxembourg or foreign individuals or entities engaging in activities in connection with private equity and venture capital, who or which meet the requirements of professional competence and fulfill the following minimum criteria: Offering primarily to the full members and subsidiarily to associate members or to their clients advisory, management, structuring, audit, distribution, administration and domiciliation services in the field of venture capital and/or private equity.

To become a member of LPEA, one must:

- > be approved by the board of directors;
- > formally accept and respect the rules of conduct of LPEA set by the board of directors.

The founding members of the a.s.b.l. are members of the charter.

The board of directors, may during a meeting where half of its members are present or represented and by a three-fourths (3/4) majority of the members thereby present or represented decide to grant charter membership to a full member or an associate member who makes such a request.

#### **Art. 6 - Register of Members**

The board of directors keeps at the registered office a register of the members containing the last name, first name, nationality, address and qualifications of all members and will see to annually file with the register of commerce and companies a list of the a.s.b.l. members in accordance with the legal requirements.

#### **Art. 7 - Application and Acceptance of Membership**

The application for membership must be submitted in writing to the board of directors. The application must be accompanied by a recommendation from at least two charter members or full members of the a.s.b.l. who agree to sponsor the candidate.

The board of directors decides on its acceptance during a meeting where half of its members are present or represented and by a simple majority of its members. In the event of a tie vote, the president has the casting and deciding vote.

The applicant is notified in writing of the decision of acceptance of membership.

#### **Art. 8 - Termination of membership**

The membership shall terminate upon the resignation or exclusion of a member.

A member who has not paid the dues owed by him within three months from the time such dues have become due, is deemed to have resigned.

Any member who has compromised the interests of the a.s.b.l. or who is guilty of serious breaches, can be expelled from the a.s.b.l.

The exclusion of a member shall only be declared in the situations enumerated in these present articles by the general assembly where two thirds of its members are present or represented and acting by a two-thirds majority vote.

The resigning, suspended or excluded member, as well as heirs or assigns of a deceased member, do not have any right to the assets of the organisation and may recover neither their initial membership fee nor dues paid by them. They may neither demand or request a statement or presentation of accounts, nor the affixing of seals, or an inventory.

## **C- DUES**

#### **Art. 9 – Dues**

The expenses relating to the management of the a.s.b.l. shall be covered by:

- a) Annual dues, the maximum of which for each member shall not be more than ten thousand euros (EUR 10,000);
- b) Subsidies and grants given to the a.s.b.l.;
- c) Net revenues of the events organized by the a.s.b.l.

Dues may be different for different categories of members in accordance with the rules provided in such respect in Article 23.

## **D- BOARD OF DIRECTORS**

#### **Art. 10 – Board of Directors - Composition and appointment**

The board of directors of the a.s.b.l. is composed of a minimum of four individuals, of which a majority are the representatives of full members.

Members of the board of directors are appointed for a term of two years by the general assembly and are chosen among the members by the general assembly.

All charter members have a right to attend the meetings of the board of directors as observers.

#### **Art. 11 – Vacancies**

In the case of vacancy during the course of a term, a provisional director may be named by the board of

directors subject to ratification by the general assembly. The provisional director will, in this case, complete the term of the director he replaces. Exiting directors may be re-elected.

#### **Art. 12 – Executive Committee - Composition and appointment**

The Board of directors shall appoint from among its members a president, two vice presidents, a treasurer, a secretary and a coordinator of technical committees. Together, with the managing director, who will also be appointed by the board of directors, they form the executive committee (the "Executive Committee" or "Excom"). The board of directors may appoint other members of the board of directors or the Executive Committee by entrusting them with specific tasks, if any.

In the case of the absence of the president, his duties are assumed by the two vice presidents or, in their absence, by the oldest of the directors present.

The members of the board of directors exercise their function in a collegial manner and may be represented at the board of directors by proxy.

#### **Art.13 – Meeting of the board of directors**

The board of directors shall be convened in writing by the president or the secretary given at least twenty-four hours prior to the planned date of the meeting. They are required to convene a meeting upon the written request of two directors; the requesting directors must indicate the questions which they wish to see included in the agenda. The board of directors may only act if a majority of the directors is present or represented, the majority of which represents full members. If the quorum is not met at the first meeting, the decisions may be taken at a second meeting, irrespective of the quorum, if it has been indicated in the convocation notices of the second meeting, which may be convened to be held immediately following the first meeting.

Decisions are taken by the majority of votes expressed, subject to what is otherwise provided for by these articles of association; if there is a tie vote, the president or his replacement has the casting and deciding vote.

In the event of an emergency, as assessed by the president and the secretary, the president may submit a proposal to the directors for resolution by circular means signed by all of the directors.

All decisions are recorded in minutes signed by two directors and included in a special register.

#### **Art. 14 – Powers of the board of directors**

The board of directors has the power to perform all acts necessary or useful to achieve the purpose for which the a.s.b.l. was established, except for those acts which the law or the present articles of association reserve for the general assembly.

#### **Art. 15 – Daily management**

The daily management of the affairs of the a.s.b.l., as well as the representation of the a.s.b.l., as regards the management, is delegated to the Executive Committee, which shall be assisted in its tasks by the managing director.

#### **Art. 16 – Representation of the association**

Legal action, as plaintiff or defendant, shall be instituted or supported on behalf of the a.s.b.l. by the board of directors upon pursuit and diligence of the president.

Acts which bind the a.s.b.l. are signed by two members of the Executive Committee (including the managing director), or by two directors or any person(s) to whom such a signatory power is delegated by the board of directors.

#### **Art. 17 – Director's liability**

The directors do not incur any personal liability for the commitments of the a.s.b.l. Their liability is limited to the execution of the mandate which they have received and negligence committed in their management. The mandates of the directors are unpaid.

#### **Art. 18 – End of director's mandate**

Acts which bind the a.s.b.l. are signed by two members of the Executive Committee (including the managing director), or by two directors or any person(s) to whom such a signatory power is delegated by the board of directors.

The term of a member of the board of directors ends:

- a) when the member ceases to be part of the a.s.b.l.;
- b) by resignation;
- c) by death or incapacity;
- d) at the end of his mandate.

### Art. 19 – Technical Committees

The executive committee may establish technical committees and set their mandate and composition.

The technical committees have the mission of providing the executive committee upon its explicit request, advices concerning the policy to be followed by the a.s.b.l. Technical committees may also render advice on their own initiative.

The technical committees are coordinated by the coordinator of technical committees and report to the executive committee for the tasks delegated to it by the executive committee.

## E- FISCAL YEAR AND ACCOUNTS

### Art. 20 – Fiscal Year

The financial year starts on 1 January each year and ends 31 December of the same year.

### Art. 21 – Annual Reports and Accounts - Reasons for the Board of Directors

Each year and at the latest six months after the date of the closing of the financial year, the board of directors shall submit to the general assembly, for approval, the annual accounts of the financial year just ended as well as the budget for the following financial year.

Within the month of their approval by the general meeting, the board of directors shall file the documents with the trade and companies register.

The ordinary general meeting appoints an auditor to audit the accounts of the a.s.b.l. and to submit to it an annual report. The ordinary general assembly sets the duration of the auditor's term of office and remuneration.

The accounts and management report must be approved by the general assembly. Approval of the accounts and the management report triggers the discharge of the board of directors of its management for the past year provided that the annual accounts and management report so state.

## F- GENERAL MEETING

### Art. 22 – General assembly

All members may attend a general assembly. Only charter members and full members have one voting right.

Members may be represented at the general assembly by another member or by a third party. The annual general assembly will be held the second Monday of May at 6 p.m. Other general assembly may be convened in accordance with Article 24.

### Art. 23 – Powers of the general assembly

The general assembly has the broadest powers to make or ratify the acts which concern the a.s.b.l.

The following are reserved to the general assembly:

- a) modification of the articles of association;
- b) approval of the internal regulations and the modifications made thereto;
- c) nomination, revocation of directors and fixing their number;
- d) discharge granted to directors and/or auditors;
- e) approval of the budgets and annual accounts;
- f) dissolution of the a.s.b.l.;
- g) exclusion of a member;
- h) application for the recognition of public utility status;
- i) fixing the amount of the annual dues;
- j) proposals of the board of directors or sections of the a.s.b.l., mentioned in the convening notice of the general assembly.

### Art. 24 – Convocation

The general assembly is convened by decision of the board of directors or upon the demand of one-tenth of its members.

All of the members are convened to the general assembly at least two weeks prior to the meeting. The convening notices can be sent by mail, fax, or delivered personally or to the member's residence, or by any other means of communication.

The agenda is attached to the convening notice. Any proposal signed by a number of the members equal to at least one-twentieth of the members shall be included in the agenda.

#### **Art. 25 – Presidency - Minutes**

The general meeting is chaired over by the president or by one of the vice presidents, and in their absence by a member designated by the mutual agreement of the board of directors from among its members. If no member of the board of directors is present, the general assembly will itself provide for a chairman. Until such designation, the presidency of the assembly shall be entrusted to the oldest person by age present at the general assembly.

The secretary or another person designated for this purpose by the president records all resolutions of the general assemblies in minutes signed by two directors and included in the special register.

A copy of these minutes may be obtained at the registered office of the a.s.b.l.

Minutes are taken during the course of the general assembly or the following assembly and signed as witnessed by the chairman and the secretary of said assembly.

#### **Art. 26 – Decisions of the General Assembly**

Resolutions are taken by a majority of votes expressed whatever the number of members of the a.s.b.l. represented at such an assembly, except if more stringent provisions are provided by the law or the present articles of association.

#### **Art. 27 – Amendment of the articles of association**

The general assembly may only validly deliberate on the amendment of the articles of association if the text of the amendments is indicated in the convening notice, and if the assembly meets with at least two-thirds of the members.

An amendment may only be adopted by a majority of two-thirds of the votes expressed.

However, an amendment to the purpose for which the a.s.b.l. was established may only be adopted by a majority vote of three-fourths of the votes expressed.

If two-thirds of the members are neither present nor represented at the first general assembly, a second meeting must be convened at least two weeks prior the latter in the manner provided for in these articles of association. This second general assembly may validly deliberate, regardless the number of members present or represented, and adopt the amendments according to the majorities set forth in the above section, subject to the homologation by the Civil Court.

The dissolution of the a.s.b.l. and the related measures shall be decided at the quorum and majority conditions provided for the amendments of the articles of association (other than an amendment of the purpose).

#### **Art. 28 – Rules of procedure**

An internal regulation may be submitted by the board of directors to the general assembly for approval. Amendments to such a regulation may be made by the general assembly, acting by a majority vote of those present or represented.

#### **Art. 29 – General Provisions**

The provisions of the law of 21 April 1928, as amended, cited above are applicable to all situations not otherwise provided for by these articles of association.