

**EUROPEAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION**

International Non-Profit Making Association

**ARTICLES OF ASSOCIATION**

**SECTION I - NAME – REGISTERED OFFICE - OBJECT - TERM**

**NAME**

Article 1

The Association is an international not-for-profit association with the name “EUROPEAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION”, abbreviated to “EVCA” (hereinafter called the “Association”).

**REGISTERED OFFICE**

Article 2

The Association’s Registered Office is established in the judicial district of Brussels (Belgium), at Bastion Tower, 5 Place du Champ de Mars, B-1050 Brussels.

It may be transferred to any other place in Belgium by decision of the Board of Directors published in the Appendices to the *Moniteur Belge*.

## **OBJECT AND ACTIVITIES**

### Article 3

The Association shall carry on its activity without the aim of making a profit, in accordance with Title III of the Law of 27 June 1921 on non-profit making associations, international not-for-profit associations and foundations.

It shall have the object of providing for study and discussion on the management of private equity and venture capital investments in Europe and in other states or territories included in the list drawn up by the Board of Directors, with a view to developing and maintaining a private equity and venture capital industry to finance principally private companies via equity funding and in order to establish criteria for the conduct of business and high quality professional competence.

The Association shall represent, promote and protect the long-term interests of the private equity and venture capital industry in Europe and in other states or territories included in the list drawn up by the Board of Directors. It shall also seek to create an environment which is more favourable for the taking of holdings in companies and the enterprise spirit.

The Association shall stimulate the promotion, research and analysis of private equity and venture capital in Europe and in other states or territories included in the list drawn up by the Board of Directors, and facilitate contacts with the political world, research institutions, universities, professional associations and any other institution concerned.

The Association shall also encourage the formation, development and use of capital markets and finance structures suited to the needs for private equity and venture capital among investors and investment beneficiaries.

The Association shall organise forums and seminars relating directly to its object as well as training seminars and courses intended for practitioners in the private equity and venture capital industry, or any other relevant stakeholders.

The Association may acquire all property, whether real or personal, enter into all contractual undertakings, accept donations, sell, grant privileges or sureties on its property and transfer the same in accordance with legal provisions, the present Articles of Association and all amendments thereto, insofar as they are necessary or useful to the achievement of its object.

By carrying on the activity of the Association, members seek no direct patrimonial benefit and assign none to the Association with the aim of procuring a direct patrimonial benefit for members.

## **TERM**

### Article 4

The Association is established for an indefinite term. It may be dissolved at any time in accordance with the Law and the present Articles of Association.

## SECTION II – MEMBERS

### **MEMBERS IN GENERAL**

### Article 5

Natural persons, legal entities and associations (with or without legal personality) shall be eligible to become members of the Association.

The Association shall consist of effective members, associate members and honorary members.

### **EFFECTIVE MEMBERS**

### Article 6

Effective members may be exclusively natural persons or legal entities, defined as private equity and venture capital investment managers in Europe and in other states or territories included in the list drawn up by the Board of Directors:

- who or which are in a position to provide proof of a major activity in the management of capital or equity funding similar to such capital, intended for the establishment, development and/or transfer of ownership of principally private companies; and
- the major objective of whom or which shall be to achieve long-term capital gains in order to remunerate the risks incurred; and
- of which one of the principal centres of activity or the major investments are situated in Europe or in other territories included in the list drawn up by the Board of Directors.

## **ASSOCIATE MEMBERS**

### Article 7

Associate members may be natural persons or legal entities who or which represent a specific interest group likely to influence the development of private equity and venture capital in Europe and in other states or territories included in the list drawn up by the Board of Directors.

Associate members may also be banks, associations for the promotion of capital, experts, financial advisers and exchange agents, pension funds, insurance companies, organisations and associations for economic development and commercial intermediaries and consultants in the fields of private equity and venture capital. This list shall not be limitative.

## **HONORARY MEMBERS**

### Article 8

Honorary members may be natural persons or legal entities which have made or are making a major contribution to the development of private equity and venture capital in Europe or in other states or territories included in the list drawn up by the Board of Directors as well as private equity and venture capital associations validly established in Europe and in such states or territories.

## **MEMBERSHIP APPLICATION**

### Article 9

Any application for membership as an effective or associate member must be submitted, in writing, to the Chairman of the Board of Directors and must contain:

- the name and address of the candidate, and
- a declaration specifying the desired membership category (effective or associate member), and
- in the case of an application for effective membership, an indication of at least one platform to which the candidate wishes to belong, considering their activities, and
- for associations, entities and organisations without legal personality, the appointment of one or a maximum of two natural persons, to act as their authorised representative vis-à-vis the Association, and
- an undertaking to abide by the present Articles of Association and the Internal Rules, and
- acceptance of codes and standards developed by the Association and an undertaking to apply the latter in its everyday activities, and
- an undertaking to fulfil the financial and other obligations incumbent upon members of the Association for the entire period of membership.

Under the appropriate and clearly defined conditions of confidentiality, candidate members and members admitted to the Association shall divulge to the latter in particular any information reasonably and fairly requested from time to time by the Board of Directors.

## **MEMBERSHIP EXAMINATION**

### Article 10

10.1. The Board of Directors shall examine the candidate member for membership on the basis of the membership application and rule on the matter at one of its next meetings. Its decision shall be without appeal and need not be substantiated.

If the Board of Directors approves the membership application, the candidate shall be notified thereof in writing and become an effective or associate member of the Association, as the case may be, on receipt by the Association of the applicable fees and subscriptions.

10.2. The capacity of honorary member shall be granted on the initiative of the Board of Directors which shall offer natural persons or legal entities fulfilling the conditions of Article 8 the possibility to become honorary members of the Association.

The capacity of honorary member shall be granted on acceptance by the prospective honorary member, on his admission, of the Articles of Association and Internal Rules of the Association.

## **LOSS OF MEMBERSHIP CAPACITY**

### Article 11

Any member shall be entitled to resign from the Association at any time, by notifying the Chairman of the Board of Directors of his resignation by registered letter. Nevertheless, such resignation shall not affect their obligation to pay subscriptions or any other sum due, until the end of the current financial year.

The exclusion of a member for non-observance of the Articles of Association or the Internal Rules or on any other legitimate grounds may be pronounced by the Board of Directors acting alone. Its decision shall be without appeal and need not be substantiated.

The member whose membership comes to an end may not claim any reimbursement of his or its fees or subscriptions or any indemnity or compensation whatsoever.

## SECTION III - ORGANISATION OF THE ASSOCIATION

### **GENERAL MEETING**

#### **POWERS**

## Article 12

The following competences shall be reserved to the General Meeting:

- a) the appointment and dismissal of Directors;
- b) approval of the budget and the accounts;
- c) the creation, merger and dissolution, on proposals from the Board of Directors, of member platforms and other entities;
- d) adoption of the Association's Internal Rules;
- e) amendments to the Articles of Association and the dissolution of the Association.

## ORDINARY AND EXTRAORDINARY GENERAL MEETINGS

### Article 13

An Ordinary General Meeting shall be held once per annum, within six months of the close of the financial year on the date, at the time and in the place determined in the convocation. This Meeting shall rule on the accounts, the discharge to be given to the Directors and the budget.

Extraordinary General Meetings shall be convened by the Chairman of the Board of Directors on his initiative, on the request of at least one half of the Board of Directors or one third of the effective members.

## CONVOCATION

### Article 14

Convocations shall be sent by the Chairman of the Board of Directors by letter, telegram, telex, facsimile transmission (fax) or any other means of electronic communication to all the members of the Association, at least two weeks prior to the date of the Meeting.

They shall contain the date, time, place and agenda of the General Meeting.

## COMPOSITION - VOTE

### Article 15

The General Meeting shall consist of effective, associate and honorary members.

Only effective members in the order of subscriptions shall have a right to vote at the General Meeting, on the basis of one vote each. Associate and honorary members shall have no deliberative vote.

Each effective member may give a written proxy to another effective member to represent him at the General Meeting. The bearer of that proxy shall be invested with the most extensive powers to represent, vote and act for that member, on all the items on the agenda of the General Meeting. Nonetheless, no effective member may represent more than three other effective members.

The election of Board members is organized and decided per Member Platform. Effective members belonging to each platform will elect the Board representatives of their Platform.

## QUORUM AND MAJORITY

### Article 16

Except in cases where the present Articles of Association require a higher quorum, the General Meeting shall be validly constituted when at least one third of the effective members are present or represented.

If that quorum is not reached at a General Meeting, the Board of Directors may, within two weeks, convene a second Meeting with the same agenda. That second Meeting shall be validly constituted whatever the number of effective members present or represented.

Unless there is a contrary provision in the present Articles of Association, all resolutions shall be passed by a simple majority of the votes of the effective members present or represented.

## CONDUCT OF THE MEETING

### Article 17

The General Meeting shall be chaired by the Chairman of the Board of Directors or, in his absence, by another Director appointed by the effective members present or represented at the Meeting. The Chairman shall appoint a Secretary for the period of the Meeting.

The General Meeting may be held with the physical presence of the members or via a conference call, a video-conference, a web-conference or by any other electronic means which offers the possibility to each member definitively although not simultaneously to cast their vote on the resolutions which appear on the agenda.

## MINUTES

### Article 18

Resolutions passed by the General Meeting shall be recorded in minutes signed by the Chairman and by the Secretary of the Meeting.

The minutes shall be kept available to the members.

## BOARD OF DIRECTORS

### COMPOSITION

### Article 19

The Association shall be administered by a Board composed of at least three Directors, who shall be elected by the General Meeting according to article 15 and may be dismissed by it, if such should be

the case in accordance with the procedure provided to that effect by the Internal Rules. Their mandate shall be for a term of one year. They may be re-elected, without their mandate being able to exceed three consecutive years.

Departing Directors shall remain in office until their successors have been appointed.

In the event of death, resignation or departure of a Director on any grounds whatsoever, the remaining Directors may co-opt a new Director who shall remain in office until the next General Meeting which shall appoint a new Director.

## POWERS AND DELEGATION

### Article 20

20.1. The Board of Directors shall be invested with the most extensive powers with a view to the achievement of the Association's object and to its management and administration, with the exception of powers specially reserved to the General Meeting by the Law and the present Articles of Association.

20.2. It shall establish the Internal Rules of the Association and submit them to the General Meeting for approval by a majority of two-thirds of the members present or represented at the General Meeting. The same shall apply to possible later amendments.

20.3. The Board of Directors may propose to the General Meeting that platforms, committees or other entities be created with a view to carrying out the transactions which it deems necessary or useful considering the Association's object. It shall determine the competence and the mode of operation of entities thus created by the General Meeting.

20.4. The Board of Directors may delegate the everyday management of the Association to a General Secretary. Moreover, on its liability, it may confer well-defined powers on one or more persons. In addition, the Board of Directors may delegate its powers to a Service Directorate, with the exception of the general management powers including (but not limited to) determination of the Association's strategic priorities, and any other power specifically conferred on the Board of Directors by virtue of the Law or the present Articles of Association. The Board of Directors shall have the power of supervision of this Service Directorate.

## OPERATION

### Article 21

The Board of Directors shall appoint a Chairman from among its members for the following financial year (Chairman-elect).

The Director's mandate of the Chairman-elect shall be extended by one year in order to enable him to chair the Association effectively the following year.

## MEETINGS - QUORUM and MAJORITY

### Article 22

The Board of Directors shall meet on convocation by the Chairman or by at least one third of the Directors.

Convocations shall be served by letter, email, telegram, facsimile transmission (fax), telephone or any other means of electronic communication at least fifteen days prior to the date provided for such meeting. Meetings may be held without convocation provided that all the Directors are present, represented or if absent have waived such convocation in advance. Meetings of the Board of Directors may be held with the physical presence of the members or via a conference call, a video-conference, a web-conference or by any other electronic means deemed appropriate by the Board.

Any Director may be represented by another Director, it being nevertheless understood that a Director may never represent more than one of his colleagues.

The Board of Directors may validly deliberate if at least half of its members are present or represented.

Unless the present Articles of Association impose the requirement of a higher quorum, decisions shall be taken by the Board of Directors on a majority of votes of the Directors present or represented. In the event of an equal number of votes being cast, then the Chairman shall have the casting vote.

## MINUTES

### Article 23

Decisions taken by the Board of Directors shall be recorded in minutes signed by the Chairman or the Chairman-elect and by the person who draws them up or another Director. The minutes shall be kept in a special register. A copy of the minutes shall be sent to each Director.

Registers of minutes shall be kept at the Association's Registered Office.

## REPRESENTATION OF THE ASSOCIATION

### Article 24

Except in the case of delegation of powers provided in Article 20.4., the Association shall be represented vis-à-vis third parties, including in court or before public officials, by two Directors acting jointly or by the bearer of a special power of attorney.

## SECTION IV - BUDGET - SUBSCRIPTIONS

### **BUDGETS AND ACCOUNTS**

### Article 25

The financial year shall close on 31 December each year.

At the close of each financial year, the Board of Directors shall draw up the accounts of the Association for the past financial year. In the cases provided by the Law, it shall submit to one or more auditors appointed by it the task of auditing the financial situation, the annual accounts of the

Association and the regularity having regard to the Law and to the Articles of Association of the transactions to be observed in the annual accounts.

The Board of Directors shall be obliged to submit the annual accounts for the past financial year as well as the budget for the forthcoming financial year for the approval of the General Meeting.

## **SUBSCRIPTIONS**

### Article 26

The Association shall be financed by subscriptions from its members and by contributions from private or public sources.

The Board of Directors shall fix the amount of the subscriptions and other charges as well as the terms of payment.

Any alteration to the amount of subscriptions and other charges shall only come into effect on the thirtieth day after the members have been so advised in writing. If a member remains in default of payment for more than eight weeks after a payment reminder has been sent to him by registered letter, he shall forfeit the exercise of his voting right and all other rights conferred upon him in his capacity as a member until the situation has been regularised.

## SECTION V - AMENDMENT TO THE ARTICLES OF ASSOCIATION - DISSOLUTION

### Article 27

27.1. Notwithstanding Article 55 of the Law of 27 June 1921, any proposal to amend the Articles of Association or to dissolve the Association must come from the Board of Directors or from at least two thirds of the effective members.

The General Meeting may validly deliberate if at least two thirds of its effective members are present or represented.

Nevertheless, if that General Meeting does not have two thirds of the effective members present or represented, a new General Meeting, convened in accordance with the provisions of Article 16(3) of the present Articles of Association, may validly and definitively rule on the agenda, whatever the number of effective members present or represented.

Resolutions shall be passed by a majority of two thirds of the votes of the effective members present or represented.

Amendments to the Articles of Association shall be subject to the conditions provided in Article 50(3) of the Law of 27 June 1921 on non-profit making associations, international non-profit making associations and foundations.

27.2. The General Meeting shall determine the mode of dissolution and liquidation of the Association.

In the event of dissolution, the General Meeting shall appoint one or more liquidators, fix their tasks and determine their powers.

After settlement of all debts and liabilities of any sort, the funds, capital and other assets of the Association shall be allocated to an impartial purpose by resolution of the General Meeting.

## SECTION VI - USE OF LANGUAGES

### Article 28

English, French and German shall be the official languages of the Association.

English shall be the working language of the Association. On the request of one or more effective members, translations into French and German of specific working documents may be delivered. Any working language other than English may only be accepted by decision of the Board of Directors as a whole.

All the documents to be published in the Appendices to the *Moniteur Belge* shall be drawn up on the French, Dutch or German language, in accordance with Belgian Laws on that matter. A translation shall always be made into English. If there is a difference between the version in the official language

and the English version of the documents to be published, the version in the official language shall prevail.

## SECTION VII - GENERAL RULES

### Article 29

All that is not provided by the present Articles of Association, in particular concerning requirements with regard to publication in the Appendices to the *Moniteur Belge*, shall be governed by the provisions of Title III of the Belgian Law of 27 June 1921 on non-profit making associations, international non-profit making associations and foundations.