

**DRAFT ARTICLES OF ASSOCIATION
FOR A SOCIETAL IMPACT COMPANY
SET UP AS A
LIMITED LIABILITY COMPANY (SOCIETE A
RESPONSABILITE LIMITEE - SARL)
UNDER LUXEMBOURG LAW**

Please note: These draft articles of association (hereafter statutes) is a working document without legal value which is intended to be adapted, where necessary, to suit the individual requirements of each user. It does not engage the responsibility of its authors.

[*Company name*], Société à responsabilité limitée

Societal Impact Company

Registered office: Luxembourg [*address*]

ARTICLES OF ASSOCIATION

In the year two thousand [*year in words*], on [*date*]

Before Maître [*name of notary*], notary, residing in [*town/city*]

Have appeared:

1. Mrs A [*first name/surname*], [*profession*], nationality [*please complete*], born [*date*],
in [*place of birth*], residing in [*domicile*] ;

2. Mr B [*first name/surname*], [*profession*], nationality [*please complete*], born [*date*],
in [*place of birth*], residing in [*domicile*] ;

3. [*Company C*] S.à r.l., a limited liability company under Luxembourg Law, established and having its registered office in [*town/city*], registered in the Luxembourg Trade and Companies Register under number [*number*], represented for the present purposes by [*managing director*], residing in [*address*], under the terms of a private power of attorney delivered in [*town/city*] on [*day / month / year*].

Said power of attorney, following its signature *ne varietur* by the parties present, the proxy and the acting notary, shall remain appended to the present deed for the purpose of joint filing for registration.

The parties present have asked the acting notary to certify that the below are the statutes of a limited liability company (hereafter "société à responsabilité limitée"), which they declare to jointly form:

Section I: Company name - Registered office - Corporate purpose -

Duration - Share capital

Article 1: A société à responsabilité limitée is hereby formed between the current owners of the shares created below and all those who may subsequently become owners, which shall be governed by the amended law of 10 August 1915 on commercial companies, as amended by the amended law of 12 December 2016 on the creation of societal impact companies and by these statutes.

Article 2: The corporate purpose of the company is [*please specify*].

(Important: It must be possible to assess the achievement of the corporate purpose using performance indicators).

Article 3: The company name shall be [*please indicate*], followed by "Société d'impact sociétal" or the abbreviation "S.I.S." .

Article 4: The registered office is established in (address), Luxembourg. It can be transferred to any other location within the same commune by simple decision of the single managing director, respectively the Management Board. It can be transferred to

any other location in the Grand Duchy of Luxembourg by decision of the general meeting of the partners.

The company can open agencies, branches or offices in any other location in Luxembourg or abroad.

Article 5: The duration of the company is unlimited.

Article 6: The share capital is set at EUR [*amount in figures*] (EUR [*amount in words*])¹, represented by [*amount in figures*] ([*amount in words*]) impact shares and [*amount in figures*] ([*amount in words*]) distributing shares, each with a par value of EUR [*amount in figures*] (EUR [*amount in words*]).

The share capital may at any time be amended by decision of the general meeting of the partners ruling as in the case of amendments to these statutes.

At least 50 percent of the share capital of the company must, at all times and under any circumstance, consist of impact shares.

The partners may at any time request the conversion of their distributing shares into impact shares. Impact shares cannot be converted into distributing shares.

All impact and distributing shares are registered shares. The company recognises only one holder per share.

The company can buy back its own shares in accordance with the legal provisions.

Article 7: Each share represents one vote in the decisions taken during the general meetings.

Article 8: The company shares can be freely transferred between the partners.

¹ The minimum amount of share capital needed is EUR 12,394.68.

They can only be transferred to non-partners with the consent of the partners representing at least three quarters of the share capital.

In the event of death of a partner, the shares can only be transferred to non-partners with the consent of the partners representing at least three quarters of the share capital. The consent is not required if all the shares are transferred to either a descendant or an ascendant, or to the surviving spouse.

Section II. Administration - General Meeting - Surveillance

Article 9: The company is administered by one or more managing directors, partners or otherwise. In the case of several directors, they will form a management board. The managing directors are appointed and dismissed by the general meeting of the partners who represent more than three quarters of the share capital and who also decide on the powers conferred, the remuneration and duration of their mandate.

Unless the partners decide otherwise, the managing director or managing directors have all necessary powers to act in the name of the company under all circumstances.

In any event, the company shall be administered autonomously in accordance with the law and the managing director or directors shall take their decisions independently.

With regard to third parties, in the case of a single managing director, the company will be committed by the sole signature of said director, and in the case of more than one managing director, the partners' meeting will determine the power of signature.

As simple representatives of the company, the managing director or directors take on no personal obligation due to their position concerning the commitments properly taken by them in the name of the company; they shall only be responsible for the execution of their mandate.

Article 10: Each partner may take part in collective decisions whatever the number of shares held.

Each partner has a number of votes equal to the number of shares held or represented; each partner can be validly represented at meetings by the bearer of a special power of attorney.

Article 11: Collective decisions are only validly taken if they are adopted by partners holding more than half of the share capital.

Collective decisions concerning an amendment of the statutes must be taken by a majority of the partners representing more than three quarters of the share capital.

Article 12: Pursuant to article 6 of the amended law of 12 December 2016 establishing the creation of societal impact companies, the oversight of the company is entrusted to an independent auditor, appointed by the general meeting. For companies whose annual turnover or net assets are in excess of EUR 1 million, the oversight of the company is entrusted to one or more approved statutory auditors, within the meaning of the law of 18 December 2009 on audit professions, who are appointed by the general meeting.

Should the company's annual turnover or net assets not exceed EUR 100,000, the company conducts a self-assessment by means of an annual financial report.

The approved statutory auditor(s) may only be dismissed by the partners' general meeting on serious grounds or with their consent.

Section III: Financial year - Distribution of profits

Article 13: The financial year begins on the first of January and ends on the thirty-first of December of each year, with the exception of the first financial year, which starts on the date of formation and ends on the thirty-first of December [*year in words*].

Article 14: At the end of each financial year, the accounts are closed and the Board of Directors draws up the company's financial statements in accordance with the legal provisions in force.

Article 15: Any partner can obtain information on the inventory and the balance sheet at the registered office of the company.

Article 16: The company's income recorded in the annual balance sheet, less overheads, write-offs and charges, constitutes the net profit of the company.

After the contribution to the legal reserve, the balance is freely available to the partners.

In the event of a distribution of profits, the holders of distributing shares will be entitled to the payment of dividends in proportion to the number of distributing shares they hold, provided the corporate purpose has been met. The profit allocated to impact shares is exclusively aimed at the achievement of the company's corporate purpose and is fully reinvested in the maintenance and development of the company's activities.

Article 17: The following performance indicators will be taken into account for the evaluation of the performance objectives relating to the achievement of the corporate purpose, respectively the distribution of profits:

- [indicator];
- [indicator];
- [indicator];
- [indicator];
- [indicator].

Section IV: Dissolution - Liquidation

Article 18: The company shall not be dissolved by the death, suspension, bankruptcy or ruin of a partner.

Article 19: The creditors, beneficiaries or heirs of a partner may not, for any reason whatsoever, place under seal the assets and documents of the company.

Article 20: In the event of the dissolution of the company, the liquidation shall be performed by one or more liquidators, partners or otherwise, appointed by the partners, who shall define their powers and emoluments.

The general meeting will choose to allocate any liquidation bonus in accordance with Article 11(2) of the amended law of 12 December 2016 on the creation of societal impact companies.

Section V: Final Provisions

Article 21: For all matters not covered by these statutes, the parties declare that they refer to and comply with the legal provisions governing limited liability companies, of the amended law of 12 December 2016 on the creation of societal impact companies and their subsequent amendments.

Subscription and payment

The shares are subscribed as follows:

- | | |
|---|----------|
| 1) by Mrs A, indicated above, [number] impact/distributing shares | [figure] |
| 2) by Mr B, indicated above, [number] impact/distributing shares | [figure] |
| 3) by Company C, indicated above, [number] impact/distributing shares | [figure] |

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Total: [number] company shares [figure]

All company shares have been fully paid up in cash, resulting in the amount of EUR [amount in figures] (EUR [amount in words]) now being freely available to the company, as verified by the acting notary who expressly confirms this.

Assessment of Costs

The amount of the costs, expenses, remunerations and charges of any nature, to be paid by the company for its formation is approximately EUR [*amount in figures*] (EUR [*amount in words*]).