

## CITIZENFUND SCRL

### Internal regulations

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The Internal Regulations of SC CITIZENFUND are drafted in a coordinated form and partly integrate the Articles of Association of the Company to facilitate their reading.

#### SECTION I. GENERAL CONCEPTS

##### Article 1<sup>er</sup> - Definitions

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|----------------------------------|--|
| 1 "Article".                     | Article of these Internal Regulations ;  |
| 2. 2. "General Assembly".        | General Assembly of CITIZENFUND SC ;   |
| 3. 3. "Associate".               | Any legal or natural person who actually holds shares in CITIZENFUND SC, i.e. the "investor-operators";  |
| 4. 4. "Elected Partner".         | Any Associate on a Selection Committee, for a period of one year, renewable.   |
| 5. 5. "Selection Committee".     | Jury of five individuals composed of two Elected Partners, two Experts specialised in the field of the social, circular or collaborative economy or in a field related to the Project, and a Founder of CITIZENFUND SC ; |
| 6. 6. "Board of Directors".      | Management body of CITIZENFUND SC ;  |
| 7. "Observer                     | Partner mandated by the other Partners to represent them and to ensure follow-up within a Participating Company;   |
| 8. 8. "Platform".                | Private section of the website <a href="http://www.citizenfund.coop">www.citizenfund.coop</a> accessible to Members only;  |
| 9. "Project                      | Any company that has started the selection process within CITIZENFUND SC in order to receive Financial Support;  |
| 10 "ROI                          | The present Internal Regulations, which specify the vision, the aims and the main rules of operation of CITIZENFUND SC ;   |
| 11. "Society                     | CITIZENFUND SC ;   |
| 12. 12. "Participating Company". | Any company receiving Financial Support from CITIZENFUND SC ;  |
| 13. "13. "Financial Support      | Financial intervention by CITIZENFUND SC in the form of participation in the share capital, subordinated loan or any other form of financial intervention;   |
| 14. "Statutes                    | The statutes of CITIZENFUND SC ;   |

15. "Structures Partners, public or private, active in the circular, collaborative and cooperative economy.
16. 16. "Transversal organisation". The "Friends of Citizenfund" structure was created to encourage the creation, collaboration and coordination between existing and future Citizenfunds.

#### Article 2 - Rules of Procedure and Statutes

1. Unless expressly provided otherwise in the ROI, it is generally expected that :
  - a. Any reference to a law or regulation includes any amendment, replacement or repeal of such law or regulation;
  - b. Words in the plural have the same definition as words in the singular, and vice versa;
  - c. The terms have also not been feminised, but the intention of Citizenfund is to address everyone, regardless of sex or gender.
  - d. The headings and subheadings are intended only to facilitate reading, but have no legal significance in themselves;
  - e. The time limits referred to in the ROI are calculated from midnight to midnight. They are calculated from the day after the day of the act or event giving rise to them. The day of expiry is included in the period. If the due date is not a working day in Brussels, it is postponed to the next working day. All deadlines are calculated in working days (in Brussels). Periods established in months or years are calculated from day to day.
2. Adherence to and implementation of the ROI are essential conditions for the accession of new Members. Failure to comply with the ROI may result in the exclusion of any offending Member, in accordance with the Statutes (Art. 14).
3. The ROI shall be adopted and amended by the General Assembly, in accordance with Articles 25 and 32 of the Statutes.
4. The Articles of Association may only be amended in accordance with the legal and statutory provisions of the Company.
5. In case of conflict between the ROI and the Statutes, the Statutes shall prevail.

### **SECTION II. VISION, MISSION AND INVESTMENT APPROACH**

#### Article 3 - Social purpose, vision and values

1. The objective of the Company is to set up a cooperative and citizen fund, investing in projects with a high societal impact in various sectors of the economy, respecting at least one of the following areas
  - a. The **circular economy** is a new economic paradigm that takes into account the true value of resources, thus eliminating the notion of waste. The circular economy is based on economic models and production methods that improve the use of resources while generating value in a

sustainable way. Economic actors then have a regenerative rather than destructive impact on the ecosystem. This means that a company will make the most of available resources, either by optimising its internal flows or by collaborating with external actors, thus forming a circular circuit. This new process has a direct impact on the environment, but also on economic and social/societal aspects.

- b. The **collaborative economy** (or sharing economy) is based on the sharing and exchange of services, resources, goods, time, knowledge and skills. It advocates the sharing of assets. It favours horizontal, peer-to-peer relationships and organisations rather than vertical and hierarchical ones. In addition to economic considerations (moderation of expenditure, limitation or even elimination of intermediaries), it is mainly based on values of social cohesion and ecology, and values use over possession.
  - c. The **cooperative economy** is the combination of a grouping of people and an enterprise based on the economic participation of the members, in capital and operations, whether or not it has adopted the legal form of a cooperative. Its organisation and functioning are characterised by principles (voluntary and open membership, democratic control by members, economic participation of members, autonomy and independence, education, training and information, cooperation between cooperatives, concern for the community) and values (self-help, responsibility, democracy, equality, equity and solidarity) which give each cooperative a universal character, regardless of its purpose or sector of activity. The structures adhering to the cooperative model aim to share profits equally, with a view to creating local value.
  - d. The **social economy** (and social entrepreneurship) is the set of enterprises for which the social or societal objective of common interest is the *raison d'être* of the business action, which is often translated into a high level of social innovation, whose profits are mainly reinvested in the realisation of this social object, and whose organisational mode or ownership system reflects the mission, based on democratic or participatory principles, or aiming at social justice (European Commission definition).
2. The Society aims to be a citizen-based and unifying initiative dedicated to the financial support of ongoing societal changes. To this end, it wishes to :
- a. To operate openly, harmoniously and in cooperation with other public and private actors in the circular and collaborative economy sectors;
  - b. To offer socially relevant initiatives an alternative or complementary source of funding to traditional sources of funding (banks, public investment companies, subsidies, private investors, etc.);
  - c. Reconciling citizens with finance by allowing them to put their savings at the disposal of meaningful projects;
  - d. To be a catalyst and certifier of virtuous and solid "impact entrepreneurial projects";
  - e. Ensure sound risk management and diversification through investments in companies with different profiles, maturity and needs.

#### Article 4 - Investment approach

A number of ROI rules are dictated by the long-term investment perspective of the fund, which aims to accompany societal changes through financial support. These key principles, which will be further developed below, are as follows:

- a. **Members wishing to leave the fund may only recover the nominal value of their shares.** In accordance with Article 15 of the Articles of Association, the resigning or excluded Member is entitled to the reimbursement of the nominal value of his shares provided that :
  - i. This value exceeds the net assets divided by the number of shares on the basis of the net assets as shown in the balance sheet of the previous year duly approved by the General Meeting of Shareholders during the financial year in which the resignation was given or the exclusion was pronounced. Failing this, the resigning or excluded Member shall only be entitled to the share of the net assets of the Company represented by his shares. He shall not be entitled to any share in the reserves, capital gains and provisions or any other extension of the equity capital.
  - ii. Repayments shall not exceed one tenth of the net assets as shown in the previous balance sheet approved by the General Assembly. Should this be the case, repayment shall be postponed until such time as conditions permit. Net assets shall mean the total assets as shown in the balance sheet, less provisions and debts. The reimbursement of the resigning or excluded Member shall be made in the order of arrival of the simple letter or e-mail.
- b. In accordance with Article 31 of the Articles of Association, the amount of the dividend may in no case exceed that fixed in accordance with the Royal Decree of 8 January 1962 laying down the conditions for the approval of groups of cooperative societies and cooperative societies. On this basis, **the Company will distribute dividends of an amount representing a maximum of six percent (6%) of the amount of the nominal value of the shares**, on which withholding tax will be withheld at the percentage imposed by the legal requirements. The surplus will be retained, in particular in order to ensure a dividend in future years, or to absorb any losses related to a specific investment. Dividends are payable at the times and places determined by the Board of Directors.
- c. **Each Member freely subscribes to one or more shares** (see art. 10 of the Articles of Association). For each type of share subscribed, a one-off management fee of 4% of the nominal value of the share is added to cover part of Citizenfund's operating costs.
- d. The Company operates according to the principles of participatory democracy, so that **each Member has one vote, regardless of the** number of shares he or she holds.

#### Article 5 - Risk

Investing in the Company, even in the form of alternative financing to an equity investment, represents a risk that may result in the partial or total loss of the investment.

### **SECTION III. ECOSYSTEM**

#### Article 6 - Partnerships

1. The Company is developing an ecosystem through WIN-WIN partnerships with numerous structures with which it wishes to promote the spirit of collaboration, collective intelligence and a rational and pragmatic approach.
2. The Company and the Structures respectively place their knowledge, services and skills at the disposal of the other, so as to help and accompany the Projects and Participating Companies seeking financing or support.
3. Depending on the services requested, these may be free or paid.
4. The ecosystem is proposed, never imposed. Each Structure remains free to determine its mode of operation and the mode of remuneration that it practices.
5. The Society is a founding member of a transversal structure called "Les Amis du Citizenfund" which aims to facilitate the creation, collaboration and coordination of existing and future Citizenfunds.

#### SECTION IV. COMPANY AND SHAREHOLDERS

##### Article 7 - Constitution

1. The Company has been incorporated as a cooperative society with limited liability under the name CITIZENFUND SC.
2. Its registered office is located at 1170 Watermael-Boitsfort, Chaussée de la Hulpe 150.
3. It is registered in the Brussels register of legal persons under number 0676.463.053.
4. Its approval was published in the Belgian Official Gazette on 24 October 2017, following the ministerial decree issued on 16 October 2017. The approval is valid retroactively from 1<sup>er</sup> July 2017.

##### Article 8 - Shares

1. The share capital is represented by registered shares.
2. The shares are divided into A, B, C and D shares.
  - a. The **A share class** represents the share class of "co-operators who guarantee the vision of the co-operative". This category refers to the shares held by the founders of the Society insofar as they remain Members, as well as any Member who is validly appointed as a director of the society.
  - b. The **B share class** represents the "ordinary cooperator" share class. This class refers to shares held by any person who is not a "cooperative visionary".
  - c. The **C class of units** represents the class of units held by persons who have not reached the age of 26 at the time of subscription. These units will be subscribed for at a value of fifty euros (€50.00) per unit (plus a one-off management fee of two euros (€2.00)).
  - d. The **D class of units** represents the class of units held by BRUSOC, subject to the right of the Board of Directors to approve any new partner within this class provided that the new partner adheres to the special rules of this D class of units. D units will specifically benefit from a yield of two percent (2%) per annum capitalised on the basis of their subscription price. This return shall be calculated annually on the anniversary date of the subscription of the units and shall be

due upon approval of the annual accounts following the anniversary date, without prejudice to Articles 6:115 and 6:116 of the Companies and Associations Code relating to the net asset and liquidity tests

3. The A and B and D share classes have a nominal value of two hundred and fifty (250) euros. Class C shares have a nominal value of fifty (50) euros.
4. Unless otherwise specified in the Articles of Association, Class A, B and C shares offer the same rights and obligations to their holders.
5. Units change category on disposal depending on whether the holder is eligible for one or the other category.
6. Apart from the shares representing the contributions, no other type of securities may be created, under any name whatsoever, representing corporate rights giving entitlement to a share of the profits. In addition to the shares subscribed to hereinafter, other shares may be issued during the existence of the Company, in particular in the context of the admission of Members or of increased subscriptions. The Board of Directors shall determine the rate of issue, the amount to be paid up at the time of subscription and, where applicable, the periods of existence of the amounts still to be paid up and the rate of interest due on these amounts.

#### Article 9 - Entry of Members

1. Any natural or legal person, approved by the Board of Directors, who has subscribed to one or more shares in the Company, shall be a Member.
2. Admission implies full payment of all shares subscribed and adherence to the Articles of Association and ROI. Failure to meet these conditions exposes the Member to the following risks:
  - a. The refusal of admission of the Member by the Board of Directors. The Company shall communicate the objective reasons for this refusal to the interested party if he so requests.
  - b. Members who fail to pay within the set time limit shall be liable, ipso jure and without notice, to pay interest at the rate of ten percent (10%) per annum from the due date, without prejudice to the right of the Company to take legal action to recover any outstanding balance, to terminate the subscription, or to exclude the defaulting Member.
  - c. The suspension of the voting rights attached to the shares on which payments have not been made as long as these payments, duly called and due, have not been made.
3. Members agree to receive all communications from the Company by electronic means, including notices of General Assembly meetings.
4. Any natural person who is incapacitated shall have the exercise of his or her rights of representation and voting in the General Assembly conferred on his or her legal representative. Any legal entity must appoint a proxy who will exercise the power of representation and voting rights of the legal entity. In the event of a change of representative, the legal entity shall notify the change within ten (10) working days from the date of the change.

### Article 10 - Exit of Members

1. Members shall cease to be part of the Company by resignation, exclusion, death, prohibition, bankruptcy or insolvency.
2. Any Member not in debt to the cooperative may resign, provided that he has been a member for one (1) year or more and that he expresses his wish to leave the society (by simple letter or electronic means) during the first six (6) months of the business year, in accordance with the law (Art. 367 of the Company Code of 7 May 1999). The Board of Directors may refuse the resignation only if it results in :
  - a. Reduce the capital to an amount lower than the fixed portion established by these articles of association;
  - b. Reduce the number of Associates to less than three;
  - c. Seriously affect the financial situation of the cooperative, which it will judge at its own discretion.

Where the resigning cooperator is incapacitated, the authorisation of the competent Justice of the Peace is required. To this end, the legal representative of the cooperator shall address a request to the clerk of the court of the peace of the residence of the incapacitated person. The justice of the peace grants the request if he or she deems it to be in the interests of the protected person.

3. Any Member may be excluded from the Company for good cause, in particular if it no longer fulfils the conditions for admission, if it behaves in a way that is detrimental or contrary to the interests of the Company, if it is no longer capable of exercising its rights as a Member, or for any other reason.

Exclusion is pronounced by the Board of Directors, ruling by a two-thirds (2/3) majority. The Member whose exclusion is requested may make his observations known in writing to the Board of Directors, within one month of sending a simple letter or e-mail containing the reasoned proposal for exclusion. If he so requests in the letter containing his observations, the Member must be heard.

Any decision to exclude a member shall be justified and recorded in minutes drawn up and signed by the Administrative Council. These minutes shall mention the facts on which the exclusion is based. The exclusion shall be recorded in the register of members of the Society.

A certified copy of the decision may be sent by simple letter or e-mail within fifteen (15) days to the excluded Member if it so requests.

### Article 11 - Transfer of shares

1. The shares are transferable inter vivos, subject to compliance with the general conditions of admission set out in Article 9 of the ROI. Compliance with these conditions shall be assessed by the Board of Directors.

2. Nor may they be transferred to third parties as a result of the dissolution of a legal entity Member, whatever the cause (voluntary dissolution, bankruptcy, etc.). In this case, the exclusion procedure will be implemented.

#### Article 12 - Communication with Members

Communications between the Company and the Members, and within the various bodies of the Company, are carried out by electronic means, and in particular :

- a. Communication is carried out as far as possible by means of e-mail or through the Platform, ensuring electronic exchanges (Art. 9 ROI).
- b. The Company's website ([www.citizenfund.coop](http://www.citizenfund.coop)) contains a certain amount of information, in particular concerning the Projects and Participating Companies, as well as periodic information on the life of the Company. Information that is not public will be communicated on the Platform.
- c. The different votes are cast on the Platform (Art. 45 ROI)

### **SECTION V. ORGANS AND ACTORS OF THE COMPANY**

#### **A. The Board of Directors**

##### Article 13 - Mission

The Board of Directors aims to ensure the development of the Company in accordance with the missions and values defined in the ROI.

##### Article 14 - Composition

1. The Board of Directors is composed of 4 Directors, who may or may not be Members, appointed by the General Assembly, on the proposal of the Class A Members.
2. The General Assembly may also appoint, on the proposal of the Board of Directors, independent directors who are not Members.
3. In the event of a vacancy in the Board of Directors, the remaining Directors may fill the vacancy provisionally.
4. The appointment is subject to ratification by the next General Assembly.
5. On incorporation of the Company, the following are appointed as Directors
  - a. SHARIFY ASBL, represented by Mr Bastien Van Wylick
  - b. BOOSTREIA SPRL, represented by Mr Thibaut Martens
  - c. Mr Alexandre Ponchon

The General Assembly retains the right to appoint new Directors, or to dismiss the above-mentioned Directors.

Mr. Thibaut MARTENS is appointed Chairman of the Board of Directors.

Article 15 - Mandate

1. The term of office of the Directors shall be four (4) years, renewable.
2. The mandate of Director is unpaid, without prejudice to the remuneration that may be granted to Directors entrusted with a delegation (Art. 22 of the Statutes).

Article 16 - Competence

1. The Board of Directors has the broadest powers of administration and disposal for the realisation of the company's purpose and for day-to-day management.
2. It is responsible for :
  - a. Exclude a member (Art. 14 of the Statutes);
  - b. Issue a proposal for an annual dividend ;
  - c. Initiate the procedure for the appointment of one or more Shareholders as Directors or Observer(s) in the companies in which the Company has holdings;
  - d. To take and lease, acquire and dispose of any property, both movable and immovable
  - e. To contract any loan, except by issuing bonds;
  - f. To pledge or mortgage all company property;
  - g. Discharge, with waiver of all rights of mortgage, lien and resolute actions, even without justification of payment, of all mortgage inscriptions and other transcriptions, seizures and other impediments of any kind;
  - h. Represent the Company in court as plaintiff or defendant;
  - i. To compromise and compromise in any case on all social interests;
  - j. Draft internal regulations.

Article 17 - Holding of meetings

1. The Board of Directors shall be convened by the President as often as the interests of the company require, or when two of its members so request.
2. The Board of Directors shall meet at the registered office of the Company, or at any other place in the municipality of the registered office of the Company indicated in the notices of meeting.
3. Except in cases of urgency, which must be justified in the minutes of the meeting, notices of meetings shall be sent by letter or e-mail at least five (5) working days before the meeting and shall contain the agenda.
4. The Board of Directors may meet by video conference, telephone conference or any other means of telecommunication allowing each participant to take full part in the deliberations and votes.

This is recorded in the minutes of the meeting.

5. A Director may, by simple letter, telex, telegram, telefax or any other similar method, give a mandate to another Director to represent him at the meeting and to vote in his place.

A Director may, however, represent only one other member of the Board of Directors.

#### Article 18 - Decisions

1. The Board of Directors shall not deliberate validly unless at least half of its members are present or represented.

However, if at a first meeting the Board of Directors is not in number, a new meeting may be convened with the same agenda. It shall deliberate validly, regardless of the number of Directors present or represented.

2. Decisions shall be taken by a simple majority of votes. In the event of a tie, the President or the member chairing the meeting shall have the casting vote.

In exceptional cases duly justified by urgency and the company's interest, and with the exception of the procedure for closing the annual accounts and the use of authorised capital, decisions of the Board of Directors may be taken by unanimous consent of all the Directors, expressed in writing.

3. In the event that the Board of Directors passes resolutions in writing, each Director shall send a signed copy of the resolutions by email to the Chairman and the Secretary who shall compile and record them in the special register.

#### Article 19 - Representation

Without prejudice to the special delegations, the Company is validly represented with respect to third parties and in court by at least two Directors acting jointly.

### **B. The Chief Executive Officer**

#### Article 20 - Delegation

1. The Board of Directors may, under its responsibility, entrust the day-to-day management of the Company to one or more Directors who shall have the title of Managing Director or Managing Director.

In addition, it may delegate special limited powers to any agent, whether or not a member of the Board of Directors.

2. The Board of Directors shall determine the duties and powers of the persons to whom it delegates, and may modify and revoke them at any time.
3. The General Meeting may fix the emoluments attached to the delegations referred to in this article, without, however, such remuneration consisting of a share in the profits of the Company.
4. In accordance with the decision of the Board of Directors of 9 February 2021, BOOSTREIA SRL, represented by Alain Boribon, is appointed Managing Director for day-to-day management.

Article 21 - Competence

1. The Chief Executive Officer is competent to deal with :
  - a. The day-to-day operational management of the Company;
  - b. The development of the Company in accordance with the guidelines set by the Board of Directors;
  - c. The day-to-day financial management, including bookkeeping, and the payment of normal operational expenses, in accordance with the Statutes and without prejudice to the banking powers defined by the Board of Directors;
  - d. The day-to-day management of human resources, without prejudice to the powers of the Board of Directors to approve any key employee or key service provider of the Company;
  - e. Representation of the Company, particularly with the authorities, in the context of the Company's day-to-day operations, and the protection of the Company's brand;
  - f. Excluding any strategic decision, or any decision which, according to the Articles of Association, should be taken by the Board of Directors.
2. The Managing Director alone can commit the Company.

**C. The General Assembly**

Article 22 - The ordinary General Assembly

1. The ordinary General Meeting shall be held each year at the registered office of the Company or at any other place mentioned in the notices, on the third Monday of May each year at 6 p.m. or, if this day is a public holiday, on the next working day.
2. This Assembly :
  - a. Hears the management report drawn up by the directors and the report of the auditor (if the Company has one), as well as, if applicable, of the partners in charge of the audit, and they answer the questions put to them concerning their report or the items on the agenda;
  - b. Decides on the adoption of the annual accounts.
  - c. Decides by special vote on the discharge to be given to the directors and auditors. This discharge is only valid if the annual accounts do not contain any omission or false indication concealed in the real situation of the Company and, as regards acts done outside the Articles of Association, only if they have been specially indicated in the convocation.
3. The annual accounts are then, at the discretion of the Board of Directors, published in accordance with the legal and regulatory rules applicable to the Company.

Article 23 - The Extraordinary General Assembly

1. The Extraordinary General Assembly shall be convened if Members holding at least one fifth of the total number of shares or, where applicable, an auditor, so request.

2. It must be convened within one month of the requisition.

#### Article 24 - Competence

The Assembly alone is competent to :

- a. To make changes to the Statutes;
- b. Appointing and dismissing Directors ;
- c. Change the remuneration of the Chief Executive Officer ;
- d. Adopt and amend the ROI (Art. 25 and 32 of the Statutes) ;
- e. Extend or revise the Company's investment policy (Art.39 ROI),
- f. Wind up the Company.

#### Article 25 - Holding of Meetings

1. The Board of Directors shall convene the General Assembly by simple invitation, by post or electronic means, containing the agenda, addressed to the Members in accordance with the legal provisions.

Except in duly justified cases of urgency, the Assembly shall only deliberate validly on items on its agenda.

2. General Meetings shall be held at the registered office or at any other place indicated in the notices of meeting.
3. Any General Assembly shall be chaired by the Chairman of the Board of Directors or, failing that, by a Director delegated to him by his colleagues or, in the absence of a Director present, by a Member designated by the assembly.
4. The President may appoint a Secretary. The Assembly may choose one or more tellers from among its members.
5. An attendance list indicating the identity of the Members and the number of shares they hold must be signed by each of them or by their proxy before entering the meeting.

To this list are annexed the proxies and forms of the Members who voted by correspondence.

6. Minutes of each Assembly shall be drawn up, signed by the officers and by any Members who so request, and recorded in special registers.

The delegations, as well as the opinions and votes given, in writing or by telegram, telex or fax, are annexed to it.

#### Article 26 - Representation

Each Member may be represented at the Assembly by a proxy, whether or not a Member. The body convening the Assembly may determine the form of the proxies and require that they be deposited or sent to the place indicated by it and within the time limit it shall determine.

#### Article 27 - Decisions

1. Each Member has one vote, regardless of the number of shares held.
2. Except in cases provided for by law and in Article 25 of the Articles of Association where a majority of seventy-five (75) percent of the validly cast votes is required, decisions shall be taken by a simple majority of votes, irrespective of the number of shares represented.
3. Members may vote by correspondence by means of a form drawn up by the Board of Directors indicating their full identity (surname, first names, profession, domicile or registered office), the number of shares subscribed, the agenda and the direction of the vote for each proposal.
4. This form must be dated and returned by ordinary mail or electronically at least three (3) days before the meeting to the address indicated in the notice of meeting.

#### Article 28 - Amendment of the Statutes

1. The General Assembly may only validly deliberate on the modification of the Statutes if the convocations specify the objects of the deliberations.  
Failing this, a new General Assembly shall be convened with the same agenda.
2. The decision on this matter shall be adopted by a majority of seventy-five (75) percent of the votes validly cast.
3. The special provisions set out in Articles 435, 436, 778 and 779 of the Companies Code concerning the change of form of cooperative and transformations of companies, Articles 671 et seq. of the Companies Code concerning the merger and demerger of companies, and Articles 678 et seq. of the Companies Code concerning contributions of universality or branch of activities shall apply.

### **D. Selection Committee**

#### Article 29 - Composition

1. The Selection Committee is composed of 5 members chosen from the following groups
  - a. 2 Experts in the field of social, circular and collaborative economy, or any other expert related to the field of the Project;
  - b. 2 Elected Associates
  - c. 1 Founder of the Company ;
2. Committee members shall confirm the absence of conflict of interest and immediately disclose any information that could give rise to a suspicion of conflict of interest.

3. Ordinary co-operators can also participate in the selection committee as observers. However, they will not submit an evaluation. Cooperators wishing to participate as an observer must notify this by e-mail.
4. The composition of the Committee is communicated to all Members during the presentation of the Project.

#### Article 30 - Elected Members

1. Each year, the General Assembly elects two Partners of the Company to serve on the various Selection Committees.
2. Two weeks before the date of the General Assembly, Members are notified by e-mail that they are invited to submit their candidacy file.
3. Information about candidates is made available to other Members on the Platform.
4. The mandate of the Elected Member is exercised free of charge for one (1) year and is renewable.

#### **E. Observer**

##### Article 31 - Mission

1. For each Participating Company, the Company appoints an Observer to monitor it.
2. The observer verifies that the vision defended by the Company remains a common thread in the long-term management of the assigned Participating Company.

##### Article 32 - Designation

1. When a project is in the process of receiving funding from the Society, a call for applications is sent to all Members.
2. Those wishing to serve as Observers should contact the Board of Directors by sending their CV and motivation. The Board makes a pre-selection.
3. Successful candidates are given the opportunity to introduce themselves and answer any questions at the Project presentation evening or, failing that, through the Platform. The Associates also receive an express CV of the Observer candidates.
4. Members shall validate one Observer per Project within the same ten (10) day voting period as the Projects, on the Platform.
5. It is possible to abstain from expressing a preference for either candidate.

##### Article 33 - Mandate

The Observer mandate is exercised for 6 months, free of charge, and is renewable.

## F. Founders

### Article 34 - Founders

The founders of the Company are :

- a. BOOSTREIA SPRL ([www.boostreia.be](http://www.boostreia.be)) is a structure that is active in supporting growing SMEs, particularly in terms of project structuring, the search for investors and the go-to-market approach. Through its various participations, it also assists companies in seeking and obtaining subsidies, as well as in salary optimisation and other associated HR assistance (simulations for hiring, work regulations, internal policies, etc.).
- b. SHARIFY ASBL ([www.sharify.be](http://www.sharify.be)) is active in the economic transition, through activities that stimulate entrepreneurship in new models. It has set up several Hackathons/Start-up weekends that have raised awareness among more than a hundred young entrepreneurs. It is an ecosystem of about twenty partners, mainly actors of the new economy. SHARIFY ASBL has already enabled the creation of 10 projects in the new economic models, 3 of which are already legally structured. It provides conferences on new economies and rapid innovation formats and is involved in new initiatives such as the Civic Innovation Network and Women in Tech.
- c. Axel Kuborn and Alexandre Ponchon are the founders and managers of SILVERSQUARE SPRL ([www.silversquare.eu](http://www.silversquare.eu)), the largest scalable workspace in Belgium. This represents 3 spaces in Brussels, more than 800 companies and a community of 2,000 people.

## SECTION VI. FUNDING PROCESS

### A. Funding criteria

#### Article 35 - Impact economic activity

Participating Companies must be active in the social economy. They share the Society's committed vision as defined in this ROI and are characterised by the desire to have a long-term societal impact.

#### Article 36 - Cooperative model

The Participating Companies are preferably cooperative companies.

If this is not the case, they must move towards a cooperative model, regardless of whether they ultimately adopt the legal form of a cooperative or not.

#### Article 37 - Financial sustainability

Projects must be sufficiently financially sustainable: the aim is to support real projects that change the model of society in the long term. A rigorous analysis of the financial plan will be carried out by the Selection Committee prior to any investment.

#### Article 38 - 'Early stage' intervention

The investments made by the Company may consist of a limited investment for the start-up of a Project or a larger investment made in a growing company.

#### Article 39 - Investment policy

All entrepreneurial projects presented to cooperators for validation must meet the following criteria:

- a. Have a real social and/or environmental impact
- b. To be part of a societal approach by adopting a circular, collaborative, cooperative and/or social economic model.
- c. Be financially self-sustaining in the medium term (3-4 years)
- d. Focusing on social and societal returns rather than economic returns
- e. Adopt a way of working that is respectful of others and the environment
- f. Treat the various stakeholders (employees, customers, suppliers, etc.) honestly, responsibly and fairly
- g. Present a limited wage pressure
- h. Provide an economic or social benefit to the cooperators
- i. Commit to communicating transparently about its activity and developments

### **B. Selection Procedure**

#### Article 40 - Submission to the Selection Procedure

1. Any Project applying for an equity investment or a loan is subject to the Selection Procedure.

A more flexible procedure could be envisaged, but it would first have to be examined by the Selection Committee and the Board of Directors and would have to provide sufficient guarantees that the principles of social economy are respected. The relaxed procedure consists in passing the second analysis by the Selection Committee (see art.43 of the ROI). However, the presentation (see art.44 of the ROI) and the validation (see art.45 of the ROI) by the Members remain mandatory.

#### Article 41 - Submission of the application

Projects submit a presentation file and a financial plan with the information necessary for an initial analysis:

- a. Description of the product/service
- b. Target market
- c. Business model
- d. Team
- e. Vision
- f. Current stage of development,

- g. Financial projections (revenues and costs).

Article 42 - Initial analysis

1. The information received is first analysed internally in a confidential manner.
2. A meeting with one or more members of the project team is organised.

Article 43 - Second analysis

1. When the Project appears to meet the criteria and values of the Company, a Selection Committee is set up to assess whether :
  - a. The Projects correspond to the vision of the Company as defined in Article 3;
  - b. The Projects fulfil the criteria mentioned (Art. 35 to 39 ROI);
  - c. The business model makes sense from a long-term financial viability perspective, in addition to the financial analysis already carried out;
  - d. The type of financing envisaged and any conditions to be attached to it.
2. The Project is selected and presented to all the Associates when the Project has received the favourable opinion of 75% of the Committee members, including the two Experts (whose opinion is blocking).

Article 44 - Presentation of Projects

1. A summary investment memorandum is prepared and sent electronically to the attention of the Associates, containing a brief presentation of the Project and its financing needs.
2. A presentation evening is organised for all Associates. Each selected Project has a presentation time to explain its project, its functioning, its means of realisation, its team and its financing needs.  
There will be a question and answer session following the presentation.  
The Company's intentions for financing the Project are clearly presented.  
This evening can be transmitted remotely to the Members using the technical means available (Facebook Live, video recording, etc.).
3. An explanatory note is sent to all Members to provide them with useful information to enable them to make an informed investment choice.  
The sending of this note marks the beginning of a ten (10) day voting period.

Article 45 - Validation

1. The Members vote on whether or not they want the Company to invest in the Project presented. Each vote has the same weight, regardless of the amount invested by the Shareholder.

2. The voting period is ten (10) days from the sending of the detailed note. At the end of the period, the votes are counted.
3. Voting is done electronically on the Platform. Once the vote is cast, it is final.
4. The Project that receives the majority of votes cast (50% + 1 vote) will receive funding from the Company.

#### Article 46 - Monitoring

1. The appointed Monitor ensures regular monitoring within the Participating Company assigned to it. It undertakes to represent the Company in accordance with its values and in the interest of all Members within the Participating Company.
2. The Monitor shall report briefly to the Board of Directors after six (6) months.
3. If the Participating Company has any concerns with the manner in which the mandate is being carried out, it may contact the Board of Directors of the Company, which, if necessary, will proceed to appoint a new Observer. This will be done at the next Shareholders' Meeting, and the reasons for the replacement of the Observer will be briefly explained.
4. The observer mandate is exercised free of charge, for a period of 6 months. It is renewable.

### **C. Financing**

#### Article 47 - Financing

1. Participation in the Participating Companies may take the form of
  - a. Participation in the capital of the Participating Company ;
  - b. Loans (subordinated or convertible) ;
  - c. A mixture of these two types of investment.
2. In the case of a loan, and in the case of co-financing (e.g. alongside a bank or public player), the Board of Directors ensures that the conditions of repayment and guarantee are balanced in relation to the other lenders.

#### Article 48 - Conditions and guarantees

1. Where appropriate, the Company makes its financial support conditional - in whole or in part - on the achievement of certain objectives, or on compliance with certain conditions.
2. These are communicated and explained to the Members at the time of the presentation of the Projects, so that the investment decision is made in full knowledge of the facts.

#### Article 49 - Advantages to Members

Joint Ventures offer an economic (e.g. discount) or social (e.g. opportunity to test the product/service before others, ambassadorial role, open days) advantage to the Members of the Company.

Article 50 - Direct investment

1. Where the Project is operated as a co-operative and involves other co-operators than the Company, the Members are free to also invest directly in it.
2. The Participating Companies and Associates are obliged to inform the Society of this decision, in order to measure the societal impact of the decision.
3. The Company does not derive any economic benefit from the transaction.

**SECTION VII. REBATES AND BENEFITS GRANTED TO PARTNERS**

Article 51 - Economic and social benefit

1. The Society has the obligation, as an approved cooperative, to provide an economic or social benefit to its Members.

In this context, it is committed to providing its Members with training on the circular and collaborative economy, on the functioning of cooperatives and on participatory democracy.

2. In the same spirit, the Participating Companies are invited to provide an economic and/or social benefit to the Members of the Company such as, for example
  - a. Allow them to be the first testers of their products and services and provide feedback to the Participating Company;
  - b. To discover the Participating Company during discovery days;
  - c. To offer a discount on the purchase of products or services.