

## The Swedish Private Equity & Venture Capital Association's statutes

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[Translator's note: This is a translation of the original Swedish statutes. In the event of an inconsistency, the original Swedish text supersedes the translation.]

These statutes were adopted at the inaugural session with stakeholders and prospective members in what was then Svenska Venture Capital Föreningen (Swedish Venture Capital Association) on 2 September 1985. The statutes were subsequently most recently revised at the General Association Meeting on 11 March 2008, at the General Association Meeting on 25 March 2009, at the Extraordinary Association Meeting on 9 December 2013, at the Extraordinary Association Meeting on 25 November 2014, at the General Association Meeting on 27 April 2016, and at the General Association Meeting on 17 May 2018.

### **§ 1 Objective**

The Swedish Private Equity & Venture Capital Association is an independent, non-profit interest organisation for firms and individuals who operate in the field of Swedish private equity, encompassing both buyouts and venture capital. The Association is tasked, in a variety of circumstances, with pursuing a well-functioning private-equity market in Sweden, as well as informing and educating the public about the Swedish private-equity market. The Association must also collaborate with organisations and other parties in the promotion of entrepreneurship. The Association's name is the Swedish Private Equity & Venture Capital Association (SVCA).

### **§ 2 Registered office of the Association**

The registered office of the Association is to be in the Municipality of Stockholm.

### **§ 3 Membership**

Membership in the Association may, upon application, be granted by the Board.

The Association offers two types of membership: full and associate.

Full members include General Partners (GP), other fund managers whose funds, (irrespective of type of association), invest in unlisted companies and are active owners either directly or indirectly, their exclusive investment advisers, and Limited Partners (LP), which also includes publicly-owned organizations conducting similar activities. Associate members have close links to the private equity sector and have advisory roles, such as law or auditing firms or other consultancies, investment banks, business angels or intermediaries between projects seeking capital, and business angels including business angel networks.

The Association's name and logo may and should be used by its members.

It is incumbent upon members to follow the Association's statutes and provide any information requested for market surveys sanctioned by the Association. The Association's administration is also entitled to access the information submitted.

References from two current full members must be submitted when applying for membership in the Association.

#### **§ 4 Code of Conduct**

The Association must have a code of conduct (SVCA's Code of Conduct) and a supervisory council (SVCA's Supervisory Council).

Members must comply with the Code of Conduct and are obligated to provide the Supervisory Council with the information and statements that they request.

The Code of Conduct is adopted by the Association's Board of Directors. The Board also appoints the Supervisory Council's members and establishes the instructions for the Supervisory Council.

Members who are criticised by the Supervisory Council for transgressing the Code of Conduct or who have failed to submit truthful and complete information or statements to the Supervisory Council may be issued a reminder or a warning by the Association's Board. In the event of serious or repeated transgressions, the member may be expelled under Article 5.

#### **§ 5 Termination of membership**

Membership is terminated either by way of withdrawal or expulsion.

Withdrawal requires written notification to the Board by no later than 31 August of the fiscal year at the end of which withdrawal is requested. Otherwise, the membership will automatically be extended for another fiscal year.

Members who do not fulfil the Association's membership requirements, who do not comply with the Association's statutes, or who do not fulfil their obligations vis-à-vis the Association or in relation to service providers commissioned by the Association, may be expelled from the Association with immediate effect. Decisions concerning the expulsion of members are made by the Board. Such decisions require each decision to be supported by at least three-quarters of the present Board members. The decision gains immediate effect as the decision has been made and the member must immediately be informed of it.

Withdrawn or expelled members are not entitled to make claims on any of the Association's assets.

#### **§ 6 Fees**

Each member of the Association pays an annual fee that is determined at a General or Extraordinary Association Meeting for the forthcoming fiscal year. The annual fee comprises a membership fee that is paid to the Association and a service fee that is

paid to the Association or to a service provider commissioned by the Association. The Meeting can establish different annual fees for different types of membership.

The annual fee (membership fee and the service fee) is paid on an annual basis, in advance, and must be paid by no later than 31 December in the year prior to the fiscal year to which the fee pertains.

Members must pay the annual fee as long as they remain members of the Association. Members who are expelled from the Association must pay for annual fees that have fallen due.

## **§ 7            Motions and proposals**

Any motions and proposals to be address at General Association Meetings must be submitted to the Board by no later than 31 January.

## **§ 8            Notification**

Notification of Association Meetings (General and Extraordinary) will be sent by email and made available on the Association's website at most four weeks and at least two weeks ahead of the Meeting.

## **§ 9            Association Meetings**

Association Meetings are the Association's highest decision-making body.

The General Meeting is held annually prior to the end of June.

Extraordinary Meetings are held when the Board or the auditors so decide, or when requested by at least 25 members. A request for an Extraordinary Meeting must be submitted in writing and pertain to addressing a particular matter. Notifications for Extraordinary Meetings must be issued within 14 days of the date on which the request was submitted to the Board.

The following business is attended to at General Meetings:

1. Opening of the Meeting
2. Approval of the voting list
3. Election of chairman of the Meeting
4. Election of secretary of the Meeting
5. Election of two officers, and vote counters, to jointly verify the minutes with the Chairman
6. Determination of whether the Meeting has been duly convened
7. Presentation of the Board's annual report as well as the auditor's report
8. Motions concerning the discharge of Board Members from personal liability
9. Election of Chairman of the Board
10. Election of Members of the Board, in addition to the Chairman
11. Election of an auditor and a deputy
12. Election of Nomination Committee
13. Determination of annual fees for the forthcoming fiscal year
14. Other business listed in the notification of the Meeting
15. Information from the Board

## **§ 10 Right to vote**

At Association Meetings, full members have one (1) vote. Associate members are entitled to attend and speak at Association Meetings, but only full members have the right to vote. The right to vote can be exercised by proxy. Votes are held in the open, unless otherwise decided upon. The Meeting will adopt the decision agreed on by the most members who are entitled to vote. In the event of an even vote, the Chairman will cast the deciding vote. However, in the event of an even vote concerning the election of Board members and an auditor and deputy, the tie will be broken by way of lottery.

No member or proxy may cast a vote in matters of

1. actions against said party,
2. said party's discharge from liability claims or other obligation vis-à-vis the Association; or
3. actions or discharge as pertaining to points 1 or 2 concerning another party, if the member in question has a significant interest that may run counter to that of the Association.

The stipulations in the second paragraph concerning members also applies to proxies representing the member.

## **§ 11 Board of Directors, etc.**

The Board of Directors is responsible for the Association's administration and for ensuring that there is an organisation that functions in a satisfactory manner.

The Board must consist of at least five and at most 12 Board members (including the Chairman). Board members must be members of the Association or an employee or board member of a member of the Association. The buyout and venture capital sectors must each be represented by at least one member on the Board.

The Board and Chairman are elected by the Association Meeting. The Chairman and other members are elected for two years at a time. The Board has the right to co-opt individuals to serve on the Board. The Board appoints a Vice Chairman from within its ranks.

The Board can commission a service provider to manage the administration and day-to-day operations (in full or in part). The service provider can either be a subsidiary to the Association or an external company.

The Board convenes upon notice from the Chairman or, if they are unable to do so, the Vice Chairman, or when at least three Board members request such a Meeting. The Board must convene at least four times annually. The notice must include information on the business to be addressed at the Meeting. The Board must adopt and adhere to a formal procedure for its work.

The Board has quorum when more than half of its elected members are present. The Board will adopt the decision agreed on by the most members. In the event of an even vote, the Chairman will cast the deciding vote. Votes are cast in the open, unless someone requests a ballot vote.

The Board is the Association's authorised signatory, as are the person or persons on or outside the Board which it assigns this role.

## **§ 12 Nomination Committee**

The Nomination Committee shall consist of at least two and at most three members who are first and foremost elected from among departing Board members. The Nomination Committee is tasked with appointing candidates to the Board for election at Association Meetings. If a member of the Nomination Committee were to leave the industry, or for other reasons be unable to fulfil their task, the Board can appoint a successor for said member.

## **§ 13 Fiscal year**

The Association's fiscal year encompasses the period from 1 January to 31 December.

## **§ 14 Audits**

The Board's administration and Association's finances must be reviewed by an auditor and a deputy, who are appointed at the General Association Meeting. The auditor and auditor's deputy are elected for one year at a time.

## **§ 15 Amendments to the statutes**

Decisions concerning amendments to these statutes are made by Association Meetings. Amendments require support from at least two-thirds of the votes represented at the Meeting. Proposals concerning amendments to the statutes can only be addressed if the matter has been listed in the notice of the Meeting.

## **§ 16 Dissolution**

The Association must enter into liquidation and be dissolved if the requisite funds for operations are lacking or if the Association can no longer be deemed necessary for its objective. Decisions concerning dissolution are made at two consecutive Association Meetings. The Meetings must be held at least one month apart. The notice of these Meetings must address the fact that the matter of dissolution will be addressed at the Meeting. Decisions concerning dissolution require support from at least two-thirds of the votes represented at each Meeting. The matter of liquidation will be handled by the Board, which, in such case, will present a proposal to an Association Meeting concerning the distribution of any funds belonging to the Association.

## **§ 17 Miscellaneous**

These revised statutes were adopted at the General Association Meeting on 17 May 2018 and apply to both those who were members of the Association when the revised statutes were adopted and members joining thereafter.

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The Swedish Private Equity & Venture Capital Association is registered under the Swedish Tax Agency's registration number 802404-4961.