**Articles of Association**

**BUSINESS ANGEL NETWORK**

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The Articles of Association were unanimously adopted by the members at the General Assembly Meeting held on …………… in …………..

**Article 1 – Name and Form**

A non-profit/profit oriented association constituted for an unlimited duration of time named …………………………………….….. abbreviated as ……….……., is hereby constituted and shall be regulated by the law of ……………….. as well as by the provisions of the present Articles of Association.

**Article 2 – Registered Office**

The registered office of ………………..shall be established in ………………, and located in the judicial district of ………………………………………………………………….. It may be transferred to any other location within ……………………………….on a decision by the Board of Directors.

**Article 3 – Purpose of the Association and Means**

**Article 3.1 - Objectives**

* To foster collaboration and exchange amongst individuals and institutions interested in engaging in or that are engaging in angel investment especially in …………………
* To provide a platform for business angels and SMEs especially in ……………………
* To encourage and facilitate social networking, communication, and sharing of ideas and understanding of the latest developments of angel investment activities especially in ……………… amongst members of ………………….. and the business community.
* To foster public awareness and understanding of angel investment, technology commercialisation and start-up activities in ………………….
* To advance and promote commercial and technical education and professional development connected with or related to angel investment, technology commercialisation and start-up activities in ……………..
* To facilitate the provision of a common platform through which the angel community, academics and start-up companies can obtain relevant market and business information
* To ascertain the views of members of ………………………… and the angel community regarding matters directly or indirectly affecting the administration and operation of the angel and start-up communities
* To adopt and promote within the angel community best practice that is consistent with the highest standards of integrity, quality and professionalism.
* To be represented on, to participate in and to liaise with relevant local, national and international bodies
* To cooperate and communicate with each other in order to foster through the network of associations the representation of the angel community on a European level

**Article 3.2 - Means**

In order to pursue its objective, ………………………… may set up common structures for informational, technical or administrative assistance and carry out common missions. At the discretion of the Board of Directors it may particularly:

* constitute committees and working parties for specific purposes
* establish and update documentation and publish materials concerning areas of interest to business angels and business angels network activities
* participate in any initiative, action or grouping with an analogous or similar objective
* and in general, take any initiative which can enable the realisation of the purpose

**Article 4 – Membership of the Association**

The association consists of individual members, family office members, syndicate members and corporate members.

**Article 4.1 – Individual Members**

Any individual may apply to the Board of Directors for admission as an Individual Member. On admission, an Individual Member shall pay a membership fee as determined from time to time by the Board of Directors. An Individual Member shall be entitled to all privileges and subject to a the duties of a member of……………………… Each Individual Member shall have ……….. vote at the General Assembly.

**Article 4.2 – Family Office Members**

Any family office managing investments and trusts may apply to the Board of Directors for admission as a Family Office Member. On admission, a Family Office Member shall pay a membership fee as determined from time to time by the Board of Directors. A Family Office Member shall be entitled to all privileges and subject to a the duties of a member of……………………… Each Family Office Member shall have ………….. vote at the General Assembly.

**Article 4.3 - Syndicate Members**

Any syndicate consisting of investors may apply to the Board of Directors for admission as a Syndicate Member. On admission, a Syndicate Member shall pay a membership fee as determined from time to time by the Board of Directors. A Syndicate Member shall be entitled to all privileges and subject to a the duties of a member of……………………… Each Syndicate Member shall have ………………. vote at the General Assembly.

**Article 4.4. – Corporate Members**

Any company, corporation or trust with registered office, branch office or presence in ………………………….. may apply to the Board of Directors for admission as a Corporate Member. On admission, a Corporate Member shall pay a membership fee as determined from time to time by the Board of Directors. A Corporate Member shall be entitled to all privileges and subject to a the duties of a member of……………………… Each Corporate Member shall have ………………. vote at the General Assembly.

**Article 5 – Number of Members**

The number of members is unlimited. The minimum number of members is ………………

**Article 6 – Admission of Members**

Every application for membership shall be made in writing, signed by the candidate and shall be in such form in English or ……………………. or otherwise as the Board of Directors may from time to time prescribe.

A list of criteria of admission can be found in the Annex to these Articles of Association.

All applications for membership may be approved or rejected by the Board of Directors or a sub-committee designated by the Board of Directors. The Board of Directors and/or the designated sub-committee shall have absolute discretion in approving or rejecting any application for membership without giving any reason. On the admission of a member, the fact shall be notified to him in writing and a copy of the Articles of Associatio, the by-laws, and a bill for the current year’s membership fee shall be forwarded to him.

The Board of Directors has absolute discretion in adopting, reviewing and amending the criteria for admission.

**Article 7 - Transfer of membership**

The rights and privileges of a member shall be personal to himself and shall not be transferable by his own act or operation of law and shall cease upon death, bankruptcy, insolvency, or upon resignation or ceasing from any cause to be a member under the provisions of these Articles of Association.

**Article 8 – Withdrawal of Members**

Any member may withdraw from ……………………….. by sending a notice of its decision in writing to ……………………………… headquarters, at least three months before the end of the membership period. Any withdrawal shall take effect at the end of the membership period, provided that the member has paid the outstanding membership fees if applicable.

**Article 9 – Exclusion of Members**

Members may be excluded on a decision taken by the Board of Directors on the following grounds:

* Failure to pay the membership fee within ………… months, as from the payment due date
* Non-compliance with the criterias for admission
* Engagement in activities that are detrimental to …………………………… objectives, purposes or reputation.

**Article 10 – Membership Fees**

The functioning of ……………………………….. shall be financed by the fees paid by the members within …………… months as from the payment due date, the subsidies and the resources derived from its activities. The amount of the membership fees shall be set annually through a simple majority decision by the Board of Directors.

Each member has the right to resign from the Association at the end of the current fee year, if they are unwilling to pay membership fees that have been increased. Members may not be held liable for obligations contracted by the Association. Memberships will lapse at the end of the financial year should membership fees not be paid by then.

**Article 11 – The General Assembly**

The Assembly shall be composed of ....................................... members. The President of the Board, or in the absence of the latter, the Vice-President, shall chair meetings of the Assembly. …………………………………………. members shall be entitled to participate in all Assembly meetings. The Assembly shall meet in ordinary session at least once annually before the end of …………………., when convened by the President with at least ………………… weeks of notice.

The General Assembly can only take a vote on topics foreseen on the agenda.

An extraordinary General Assembly can be convened by the President when instructed by the Executive Committee, on a proposal from the Board of Directors or at the request of the majority of the members in which case the notice period should be no less than ………………… days.

The minutes of the General Assembly will be sent to the members within ……………..months as from the date of the meeting.

The following shall be the exclusive responsibility of the ordinary General Assembly:

* Election and removal of the members of the Board of Directors
* Approval of accounts and budgets
* Approval of the annual report
* Discharge of administrators
* Allocation of incomes

All decisions concerning these responsibilities shall require a simple majority.

The following shall be the exclusive responsibility of the extraordinary General Assembly:

* Amendment of the purpose and the Articles of Association
* Early dissolution of the Association

Any decision concerning these responsibilities shall require a two-thirds majority.

The General Assembly's deliberations shall only be valid where a quorum of more than 50% of members are present in person or represented.

When there is not a quorum, a new General Assembly will be convened on the same day. The proceedings shall be valid, whatever the number of members present or represented.

**Article 12 – The Board of Directors**

The Association shall be governed by a Board of Directiors composed of at least …….. members, physical persons representing a member. The maximum number will be subject to the total number of members and fixed by the General Assembly following a proposal of the outgoing Board of Directors.

The Board of Directors shall be elected by a majority of the votes cast for a two-year period. In the event of a vacancy, a new Board member shall be named by the Board of Directors until the next General Assembly.

Outgoing Board members shall be re-eligible.

When a member of …………….…………. informs the Secretariat in writing that a Board member no longer represents that member, that person is automatically deemed to have resigned. The notice should be signed by a person authorised to sign on behalf of that member.

When a Board member resigns, the organisation he/she represents is entitled to nominate a substitute for the remainder of the term of office. The appointment will be approved by the Board of Directors.

Members shall agree to give a mandate to their representatives in the Board of Directors in order to allow their valid participation in deliberations.

The Board of Directors shall choose from among its members a President and a Vice-President by a majority vote. The term of office of the President is ……………… years. A person cannot be appointed as President for more than two consecutive terms.

The Board of Directors is convened by the President with a ………….. week prior notice and in connection with the sending of the agenda.

The terms of office shall be unremunerate/remunerated.

A meeting of the Board of Directors shall be validly held if at least half of its members are present or represented. Members of the Board of Directors which are not physically present at the meeting may be deemed present if participating at the meeting by electronic means i.e. videoconference or telephone conference. Members who are not physically present may be represented by a proxy. Any Board member can give a proxy to any other Board member. A Board member is entitled to represent only one other Board member. Decisions by the Board of Directors shall be held valid if representing the simple majority of votes cast.

The Board of Directors has all the powers necessary for the management of the Association which are not expressly entrusted to the General Assembly according to article 9 of the Articles of Association. The Board of Directors may appoint proxy holders for specific tasks of representing the Association. Such proxies will clearly indicate the scope of their representation powers.

**Article 13 – The Executive Committee**

The Board of Directors can nominate from its members an Executive Committee to implement the working programme. The Executive Committee is comprised of the President, the Vice-President and up to ………….. other Board members. Amongst the members of the

Executive Committee, the Board of Directors can choose a secretary responsible for the

minutes and one or several treasurers.

The Executive Committee shall be responsible for day-to-day activities. It may receive all payments, receipts and discharges and delegate any power it determines to the Director of Secretariat, to one of its members or to a third party. The Executive Committee may also establish committees, working parties or advisory councils.

The Executive Committee will be chaired by the President.

**Article 14 – The Secretariat**

The Board of Directors can commission a Secretariat to:

* Conduct day to day operations of …………………………...
* Implement the decisions of the Board of Directors and the Executive Committee.

A Director of the Secretariat will be appointed by the Board of Directors. The Director of the Secretariat shall attend the meetings of the Board of Directors and of the Executive Committee in an advisory capacity.

The Director of the Secretariat will serve as the President during the elections. He or she will ensure that voting rules and rights are respected according to the Articles of Association.

**Article 15 – Use of Proxies and Electronic Voting**

An instrument appointing a proxy may be in the form included in the annex to this agreement or any other form which the Board of Directors approves:

Any member may give to another member a proxy. Each member can have not more than two proxies.

Proxies may be sent to the Secretariat ……………. days before the General Assembly Meeting.

Electronic voting in the case of a General Assembly or an Extraordinary General Assembly is accepted when a meeting in person is not feasible and/or to accelerate decision-making.

**Article 16 – Accounts**

The annual accounts shall be subject to approval by the General Assembly within six months from the date of the closing of the accounting year.

The accounting system will make a clear distinction between the income and expenditure generated by membership fees and income and expenditure generated by other sources.

The supervision of finances will be entrusted to an Audit Committeee or external auditors as decided by the Board of Directors. The Audit Committee shall be elected by the Board of Directors from its members for a two-year period. The terms of office shall be unremunerated/remunerated.

The auditors will supervise and verify the Association's financial operations. They may have access to all Association documents relative to their mission, but they may not remove such documents.

# Article 17 - Business year

The financial year runs from ………………………………… until ……………………………..

**Article 18 - Dissolution**

The General Assembly acting in accordance with the provisions of Article 9 of the Articles of Association shall pronounce the dissolution of …………………………………………….and shall name its liquidator(s), delegating to the latter any powers it deems necessary. The procedures for dividing the result of the liquidation shall be determined by decision of the General Assembly acting in accordance with the procedure laid down for an amendment of the Articles of Association.

In case of dissolution of the Association, the General Assembly will decide the allocation of the net assets. Such net assets may be allocated only to associations having similar objectives or purposes as ……………………………………………….

**Article 19 - Interpretation of the Articles of Association**

Any question as to the interpretation of the Articles of Associtaion and any by-laws shall be left to the Board of Directors whose decision on any point shall be final.

**Article 20 - Competent courts and applicable law**

The courts of ……………………………… shall have exclusive jurisdiction regarding any dispute which may arise as regards to the present Articles of Association and their annexes.

This document should be construed in accordance with the provisions of …………………………………………………………………………. law.

**Annex 1 to Articles of Association**

**Article 1. Criteria of admission**

All/several/one of the following criteria should be fulfilled to become a member of the association:

* Has previously made investments of …………………………….. €, either as an individual or through an undertaking or association
* Has the ability to showcase prior investment know-how in early-stage companies
* Is registered with the national authorites as a business angel
* Is an entrepreneurially experienced individual in a certain sector and is willing to invest his/her funds and/ or his/her expertise in new ventures
* Is acting as a coach/mentor to start-up companies and willing to exchange his/her services for equity

**Annex 2 to Articles of Association**

**Article 1. Proxy**

An instrument appointing a proxy may be in the following form or any other form which the Board of Directors approves:

“I ………………………………………………….. of ……………………………………………. hereby appoint ……………………………………………………..of………………………………………… as my proxy to vote for me and on my behalf at the General Assembly Meeting of …………………………………………………. to be held on the day of ……………………………………….. and at any adjournment thereof.

SIGNED ……………………………………………………………