



## **Articles of Association**

(in the version dated 25<sup>th</sup> of September 2024)

The General Meeting of the Digital Lending Association adopted the following Articles of Association on 4<sup>th</sup> of June 2019 and amended and supplemented them by resolutions dated 5<sup>th</sup> of July 2019, 21<sup>st</sup> of February 2020, 11<sup>th</sup> of February 2021, 05<sup>th</sup> of June 2021, 19<sup>th</sup> of October 2021 and 24<sup>th</sup> of April 2023. The new version of the Articles of Association shall enter into force immediately upon adoption by the General Meeting. The German version shall prevail.

### **§ 1**

#### **Name, Registered Office, Business Year**

1. The association shall bear the name "Digital Lending Association". It shall be entered in the Register of Associations. After its registration, the name will be "Digital Lending Association e.V."
2. The association is headquartered in Berlin.
3. The fiscal year is the calendar year.

### **§ 2**

#### **Purpose of the Association**

1. The purpose of the association is to promote and inform about the interests of the industry as defined in paragraph 2 below and to represent the rights and interests of its members.
2. The trade body sees itself as an industry association. The industry is considered to be the entirety of companies whose activities are directly or indirectly related to the investment of debt capital by Digital Lenders. This includes in particular, but not exclusively, loans, bonded loans (Schuldscheine), assignments of receivables, bonds and securities based on the previously mentioned debt instruments. The association has the task of promoting and protecting the interests of its members and safeguarding their interests. It realizes its objectives by, among other things:
  - **Representation of interests vis-à-vis the political sphere:** Advising political decision-makers and authorities as well as participation in legislative and administrative procedures at national, European and international level;



- **Representation vis-à-vis regulatory and supervisory authorities:** Representation and advocacy of industry companies vis-à-vis competent authorities or public bodies and institutions at national, European and international level;
  - **Networking:** Maintaining relations among members and establishing and maintaining relations with other associations, business organizations and consumer protection bodies at national, European and international level;
  - Public relations, such as press relations, publications and the publication of information relevant to the industry;
  - Events such as conferences, seminars and lectures dedicated to the industry or its interests, or the association itself participates in such events.
  - Information, support and advice to members;
  - Conception, content support as well as follow-up of uniform industry standards;
  - Advocating fair competition;
  - Promote market transparency as well as debtor and investor protection;
  - Advocating high quality and expertise.
3. The purpose of the association is not to engage in commercial business. The funds of the association may only be used for the above purposes.

### § 3

#### Membership

1. The association may have the following members:
  - a. "**Ordinary Member Digital Lender**" of the association may become legal entities or groups of persons that cumulatively meet the following requirements:
    - Their main activity is to create an additional financing offering in the form of debt capital via the internet (Digital Lending);
    - Their business model is characterized by the fact that they (where applicable, in addition to the traditional brokerage of customers to credit institutions) act as intermediaries bringing together customers seeking capital and private and/or institutional investors, and thus opening up additional financing and investment opportunities for the European financial market ("Non-Bank Financial Intermediation");



- The legal entity or group of persons is also available as a contact for investors and debtors after the financing has been concluded.
  - At the time of submitting the application for membership, at least one year has elapsed since the legal entity or group of persons started its operational activities;
  - At the time of submitting the application for membership, the legal entity or group of persons has successfully placed financing in a total amount of at least EUR 500,000.00; and
  - The legal entity or group of persons undertakes to comply with the applicable association principles and rules of conduct of the association during membership.
- b. Institutional investors who invest in debt capital via Digital Lenders and wish to promote the purposes of the association ("**Ordinary Member Institutional Investor**") can also become Ordinary Members. These can be, in particular, domestic or foreign legal entities such as insurance companies, pension funds and their management companies, foundations, banks, church institutions or family offices.
- c. "**Associate Members**" are other interested legal entities or groups of persons, public institutions or natural persons related to the industry of the Ordinary Members. In the General Meeting, Associate Members have a consultative vote. The legal representatives and/or employees of Associate Members are not eligible for election to the Executive Board. Associate Members may not submit motions to the agenda of the General Meeting of Members. The purpose of Associate Membership is to promote the exchange of opinions and experience among the members.
- d. More detailed rules on the rights and obligations of members may be laid down in membership conditions by the General Meeting at the request of the Executive Board.

The Executive Board may allow exceptions to all requirements at its discretion.

2. Within a group of companies capable of consolidation, only one legal entity or group of persons may become an Ordinary Member within the meaning of §3 para. 1 lit. a).
3. To become a member, a written application for membership must be submitted to the Executive Board. A unanimous decision of the Executive Board (votes cast) is required to accept the application for membership. The Executive Board decides on the application for admission at its own discretion; there is no claim to admission. The Managing Director shall inform the applicant of the Executive Board's decision in writing; no justification is required. If the Managing Director is unable to do so, the Executive Board shall take over the notification.



4. Ordinary and Associate Members exercise their rights in matters concerning the association in the General Meeting. Further details are regulated by § 6.
5. All accepted members are documented in a list of members, which shall be maintained by the Managing Director. Legal entities and groups of persons should appoint a natural person as the central point of contact. The list of members may be made public.

#### **§ 4**

##### **Membership Fee**

1. All members of the association shall pay an annual membership fee in accordance with the Fee Rules.
2. The amount of the membership fee is determined by the General Meeting within the framework of Voting and Fee Rules. The decision on this requires a majority of 2/3 of the votes cast.
3. The membership fee shall be paid in full by April 15 of each financial year for that financial year, i.e. the full membership fee must be paid even if membership is terminated within a current fiscal year. Each member who joins the association in the course of a fiscal year shall pay a reduced annual membership fee *pro rata temporis* for full calendar months of membership in the association in the year of joining, calculated from the calendar month following receipt of the notification of acceptance of the application for membership in accordance with §3 para. 4 of the Articles of Association.
4. In order to finance special projects or to cover a loss incurred, the General Meeting may decide on a special contribution. If the contribution does not exceed twice the annual membership fee, the resolution requires a majority of 2/3 of the votes cast; if the contribution exceeds this amount, the resolution must be passed unanimously by the votes cast.

#### **§ 5**

##### **Termination of Membership**

1. Membership shall end upon dissolution of the association or upon exclusion or resignation from the association, as well as upon death or termination.
2. Resignation shall be effected by written declaration to the Executive Board. Resignation can only be declared at the end of a financial year.
3. A notice period of six months must be observed. Resignation with simultaneous accession of an affiliated company is possible at any time.

4. The Executive Board is entitled to exclude a member from the association for good cause by resolution adopted with a simple majority. An important reason is to be assumed in particular if a member:
  - a. Grossly violates the interests of the association;
  - b. No longer meets the requirements of § 3 No. 1 of these Articles of Association to a substantial extent;
  - c. Is in arrears with the payment of a membership fee or a substantial part thereof despite two written reminders.
  - d. When insolvency proceedings have been initiated against the member's assets or the initiation of insolvency proceedings has been rejected for lack of assets.
5. Prior to adopting a resolution, the Executive Board must give the member the opportunity to comment verbally or in writing. The decision must be justified in writing and sent to the member. An appeal against the exclusion decision may be lodged within a period of four weeks after notification of the exclusion, on which the next General Meeting shall decide in accordance with the following § 7 para. 2. All rights of the member shall be suspended until the conclusion of this internal procedure.
6. Termination of membership, in particular in the case of exclusion of a member, shall not affect the obligation to pay the membership fee as well as contributions according to § 4 above for the current fiscal year; a refund is excluded.

## **§ 6**

### **Constitution of the Association**

Organs of the association are:

- a. the General Meeting.
- b. the Executive Board.

## **§ 7**

### **General Meeting**

1. The General Meeting is the supreme body of the association.
2. In addition to the matters expressly mentioned in these Articles of Association, the General Meeting shall be responsible in particular for the following matters:



- a. Acceptance of the annual report of the Executive Board and the report of the cash auditor on the income and expenditure records after the end of the financial year;
  - b. Election, dismissal and discharge of the Executive Board;
  - c. Adoption of resolutions on amendments to the Articles of Association and on the dissolution of the association;
  - d. Adoption of a resolution on the appeal of the member concerned against an exclusion decision of the Executive Board.
3. A General Meeting shall be held at least once a year. A General Meeting must also be held and must be convened by the Executive Board if the interests of the association require it or if one third of the members request this in writing to the Executive Board, stating the purpose and the reasons.
  4. The General Meeting is convened in writing, by telephone or by email with a notice period of three weeks stating an agenda, for the Executive Board by the Managing Director or - if the Managing Director is unable to attend - by the Executive Board. The notice period begins on the day following delivery of the invitation. The invitation is deemed to have been received by the member if it was sent to the last address or e-mail address provided to the association. If the invitation is sent by post, it is deemed to have been delivered after 2 working days. If sent by e-mail, it shall be deemed to have been delivered on the day of dispatch. If all ordinary members agree, the formal and deadline requirements for convening meetings may be waived.
  5. The General Meeting is chaired by the Managing Director. Should he be prevented from doing so, a member of the Executive Board appointed by the Executive Board will chair the meeting.
  6. In the General Meeting, each Ordinary Member has one or more votes, the number of which is determined by the Fee and Voting Rules adopted by the General Meeting. Each member is represented by their legal representative or an internal natural person, who must prove their authorization to the chair of the meeting in text form. The representation is also permissible by authorization of another member in text form, if it has been submitted to the chair of the meeting before the beginning of the General Meeting.
  7. At least half of the Ordinary Members must be present for the General Meeting to constitute a quorum, whereby presence via telephony (e.g. telephone, VoIP, video telephony) is sufficient. If there is no quorum, the Executive Board is obliged to convene a second General Meeting with the same agenda within two weeks; this meeting is quorate regardless of the number of members present. This must be made clear in the invitation
  8. Unless otherwise stipulated in these Articles of Association or by law, the General Meeting passes resolutions by a simple majority of the votes cast; abstentions are considered votes not cast. A majority of 2/3 of the votes cast is required to amend the Articles of Association and the purpose of the association as well as to dissolve it. If all Ordinary Members agree, resolutions can also be passed in writing, by telephone or by email outside of meetings or as mixed resolutions.

The General Meeting has the right to revoke resolutions that have been passed.

Resolutions are generally passed by open vote. At the request of an Ordinary Member, the General Meeting may decide to hold a secret ballot by a simple majority of the voting members present.

9. Minutes shall be taken of the resolutions of the General Meeting and shall be signed by the chairman of the meeting. The minutes shall be brought to the attention of the members without delay.
10. Motions for the General Meeting must be submitted to the Managing Directors in writing at least two weeks before the General Meeting, unless the Articles of Association provide for a different deadline. The members must be informed immediately in text form of motions submitted in due form and time.

## **§ 8**

### **Executive Board**

1. The Board of the association consists of at least three and at most 9 persons. The legal representatives and/or employees of Ordinary Members proposed by an Ordinary Member are eligible for election. Only one person can be elected to the Board for each member.

A shortfall in the number of Executive Board members does not render the Executive Board incapable of acting as long as the legal power of representation is given (§ 8 para. 5).

2. Elections:

- a. Elections are always carried out openly. At the request of an Ordinary Member, the General Meeting may decide to hold the election by secret ballot with a simple majority of the voting members present.

The chairperson of the meeting may delegate the chairmanship of the meeting to another person (election supervisor) for the duration of a ballot.

- b. In the case of open elections, the chairperson of the meeting or the election supervisor shall decide whether the election is to be conducted by a show of hands or in writing. At the request of an Ordinary Member, the General Meeting may reject the decision of the chairperson of the meeting or election supervisor by a simple majority of the voting members present. The election must then be carried out using the other method without the need for a further decision on the method to be used.





- c. The person with the highest number of votes shall be elected.
  - d. (Combined) individual voting and list majority voting are permitted. In the latter case, votes may only be cast in writing and at least three candidates' names must be listed.
  - e. If there are no more candidates for election than there are offices to be filled, block voting is also permitted. In this case, only all candidates can be elected together.
  - f. In the event of a parity of votes in one ballot, a run-off ballot shall be held first and, in the event of another parity of votes, the election shall be decided by drawing lots.
  - g. If elections are held as part of a General Meeting that provides for the possibility of online participation, the chair of the meeting must ensure that the aforementioned principles can also be complied with in the context of online voting.
3. The term of office of the Executive Board begins with its election; the term of office is two years.

The members of the Executive Board shall remain in office until the election following the expiry of their term of office, unless a member resigns or is dismissed. If a successor is elected in the event of the premature resignation of a member, the new member of the Executive Board shall remain in office until the regular end of the term of office of the resigning member at the latest.

4. A member of the Board of Directors may be dismissed at any time before the end of the term of office by the General Meeting with a 2/3 majority of the votes cast.
5. The Executive Board is responsible for representing the association in accordance with §26 of the German Civil Code (BGB), unless otherwise provided for by law or the Articles of Association. Representation in and out of court is carried out jointly by two members of the Executive Board. The members of the Executive Board may, by unanimous resolution, authorize a member of the Executive Board to represent the Executive Board alone. Further details are set out in the rules of procedure. The Executive Board prepares the resolutions of the General Meeting and supervises the Managing Director in the execution of day-to-day business.
6. The meetings of the Executive Board shall be convened in writing, by telephone, or by email with two weeks' notice, stating an agenda for the Executive Board, by the Managing Director or - if he is prevented from doing so - by the Board of Directors. Provided that all members of the board agree, the formal and time limit requirements regarding the convocation can be waived.
7. Meetings of the Executive Board shall be chaired by a member of the Executive Board designated by the Executive Board. The chairing of a meeting may be delegated to the managing director.
8. Resolutions of the Executive Board shall be adopted at meetings. Provided that all members of the Executive Board agree, resolutions may also be adopted in writing, by telephone, or by e-mail outside of meetings or as a mixed resolution.





9. The Executive Board constitutes a quorum within meetings if at least half of the members are present and outside meetings if all members of the Executive Board vote.
10. Unless otherwise provided for in these Articles of Association or by law, resolutions shall require a simple majority of the votes cast, with abstentions being counted as votes not cast.
11. Responsibilities and the allocation of duties within the Executive Board shall be governed by rules of procedure issued by the elected members of the Executive Board.
12. The members of the Executive Board have the right to attend the meetings of the committees and working groups in an advisory capacity.
13. Minutes of the resolutions of the Executive Board shall be prepared by the Managing Director and shall be forwarded to the members of the Executive Board within four weeks of the adoption of the resolution. If there is no Managing Director, the Executive Board shall prepare the minutes.

## **§ 9**

### **Cash Auditors**

1. The Executive Board shall appoint an external cash auditor. This person may not be related by blood or marriage to the members of the Executive Board or the Managing Directors or have an ongoing business relationship with them.
2. The cash auditor shall have the right to examine the Association's treasury and the current income and expenditure records at any time and without restriction. The auditor shall report the results in writing to the General Meeting.
3. The right to audit extends only to the accounting accuracy, not to the appropriateness of the transactions.

## **§ 10**

### **Managing Director**

1. The Executive Board of the association may appoint a Managing Director by unanimous vote.
2. After prior notification of the Ordinary Members, the Executive Board shall conclude the employment contract with the Managing Director, which shall regulate the remuneration and other contractual conditions of the Managing Director as an employee.
3. The Executive Board shall adopt by resolution rules of procedure for Managing Directors.

4. The Managing Director shall attend the General Meeting and the meetings of the Executive Board in an advisory capacity. He is entitled to attend the meetings of the committees and working groups in an advisory capacity.
5. In the event that the Managing Director is prevented from performing his duties or his employment contract is terminated, the Executive Board shall assume the duties assigned to the Managing Director within these Articles of Association.

## **§ 11**

### **Committees and Working Groups**

1. The Executive Board may establish permanent committees or temporary working groups for individual topics in order to fulfill its duties. The Executive Board decides on the tasks of these committees and working groups as well as the respective chairmanship.
2. Each Ordinary Member may delegate one representative to the respective committee. The Executive Board may also appoint third parties with proven expertise to the committees and limit their membership for a limited period of time.
3. The Executive Board decides on the composition and chairmanship of the working groups by resolution.
4. The Executive Board may issue rules of procedure for the committees by resolution.

## **§ 12**

### **Dissolution of the Association**

1. In the event that the association is dissolved, which must be decided by the General Meeting, the Executive Board appoints a liquidator and deputy liquidator from among its members. They are each authorized to represent the association individually. The General Meeting may adopt a different decision.
2. The General Meeting decides on the entitlement to the assets of the association. A right of entitlement or transfer of assets in favor of the members is excluded. In all other respects, the statutory provisions apply.

## **§ 13**

### **Arbitration Commission; Arbitration Procedure**

1. The Arbitration Commission has the task of clarifying the facts in the event of conflicts between members and working towards an amicable solution to the conflict.



2. The Arbitration Commission consists of three natural persons appointed by the Executive Board for each mediation case. These persons do not have to be members of the association. Under no circumstances may they be involved in the conflict.
3. The Arbitration Commission may be called upon by any member in writing to the Executive Board.
4. The Arbitration Commission shall examine the facts presented by the member making the appeal, collect statements from the parties involved, draw up a report and submit a written proposal for a solution to the parties to the dispute. The parties to the dispute shall declare in writing within 2 weeks of receipt of the proposed solution whether they accept the proposed solution. If the proposed solution is rejected by at least one party to the conflict, the Executive Board can decide on a solution by a 2/3 majority. This is not binding for the parties to the conflict. The Executive Board shall determine the exact modalities of the arbitration procedure by a 2/3 majority.

## **§ 14**

### **Budget and Financial Statements**

1. At the last meeting of each fiscal year, the Executive Board shall adopt the budget.
2. The annual financial statement consists of a record of income and expenditure in order to verify the use of funds in accordance with the Articles of Association. The Executive Board submits these to the appointed cash auditor for examination.

## **§ 15**

### **Confidentiality, Loyalty**

1. Members and members of the organs may not disclose or exploit without authorization anything they learn in their capacity about the affairs of the association and its members. This also applies after termination of membership in the association "Digital Lending Association e.V." or its organs.
2. All members are obliged to comply with the provisions of the Articles of Association and to loyally support the association in carrying out its tasks.