

**COMMERCIAL ASSOCIATION TULEVA
ARTICLES OF ASSOCIATION**

1. Name and location

- 1.1. The name of the commercial association is Commercial Association Tuleva (hereinafter the Association).
- 1.2. The seat of the Association is in Tallinn, Harju County.
- 1.3. The Association is founded for an unspecified term.
- 1.4. The Association is a limited liability commercial association.

2. Financial year

- 2.1. The financial year of the Association begins on January 1 and ends on December 31.

3. Purpose and activities

- 3.1. The purpose of the Association is to accumulate pension assets for the Association's members.
- 3.2. To achieve its purpose, the Association shall pursue the following activities:
 - 3.2.1. establish in the Republic of Estonia pension management companies for 2nd and 3rd pillar pension funds and a life assurance undertaking to provide pension payment services which shall be open for involvement to the members of the Association on comprehensible terms and shall pursue economic activities primarily to the benefit of the Association's members who are accumulating pensions or receiving pension payments;
 - 3.2.2. pursue information activities to improve the transparency and the society's general acceptance and understanding of pension planning in the Republic of Estonia;
 - 3.2.3. educate the members of the Association in the field of pension planning;
 - 3.2.4. perform other functions directly or indirectly necessary for achieving the Association's purpose.
- 3.3. In addition to its main activities, the Association may issue publications and establish undertakings to achieve its objectives.

4. Members

- 4.1. Members shall be admitted on the basis of a written application which the management board shall review within one month from the date of submitting the application. The management board may request additional information from applicants.
- 4.2. A member of the Association shall:
 - 4.2.1. be a natural person of at least 18 years of age who has a pension account for accumulating mandatory funded pension or a securities account for accumulating supplementary funded pension;
 - 4.2.2. have directed his/her mandatory or supplementary funded pension contributions to a pension fund of the fund manager owned by the Association, except during the period when the fund manager owned by the Association has no registered mandatory or supplementary pension funds;
 - 4.2.3. not have a valid conviction for a criminal offence; and
 - 4.2.4. have paid an admittance fee in the amount and according to the procedure provided in the Association's articles of association prior to the management board's decision on admittance.
- 4.3. The date of admittance of a member shall be the date of the management board's decision on admittance.

- 4.4. The management board may refuse admittance on the following grounds:
- 4.4.1. the applicant does not meet the requirements provided in the Association's articles of association;
 - 4.4.2. the applicant has previously been excluded from the Association due to a breach of the articles of association; or
 - 4.4.3. the Association cannot ensure or promote the protection of economic interests of a greater number of members than the existing number of members.
- 4.5. If the management board refuses to admit a person into the membership of the Association, it shall send a copy of the resolution on refusal to that person.

5. Rights of members of the Association

- 5.1. Members of the Association shall have the right to:
- 5.1.1. examine the Association's articles of association, list of members and resolutions of the general meeting, management board and supervisory board at the seat of the Association during normal working hours;
 - 5.1.2. participate in the general meeting personally or through an authorised representative;
 - 5.1.3. receive a transcript of the minutes of the general meeting or an extract thereof;
 - 5.1.4. receive information concerning the operating results of the Association;
 - 5.1.5. receive information from the management board concerning all issues on the agenda of a general meeting;
 - 5.1.6. receive written notifications of the time, place and agenda of general meetings, except if the law allows to deliver an invitation to the general meeting by e-mail or by a notice published in a daily newspaper and on the Association's website;
 - 5.1.7. elect and be elected to the management and control bodies of the Association;
 - 5.1.8. participate in the distribution of the Association's profit as provided in the articles of association;
 - 5.1.9. participate in the distribution of the Association's remaining assets upon dissolution according to the member's contribution to the pension capital;
 - 5.1.10. use the services provided by the Association;
 - 5.1.11. participate in the activities of the Association;
 - 5.1.12. participate in the events organised by the Association;
 - 5.1.13. withdraw from the Association.

6. Obligations of members of the Association

- 6.1. Members of the Association shall be obliged to:
- 6.1.1. fulfil the obligations provided in the Commercial Associations Act and the Association's articles of association as well as any lawful resolutions of the Association's management and control bodies in accordance with the Association's articles of association;
 - 6.1.2. pay an admittance fee in the amount and according to the procedure provided in the Association's articles of association;
 - 6.1.3. make other earmarked payments according to the resolutions of the general meeting;
 - 6.1.4. protect the Association's business secrets.

7. Termination of membership in the Association

- 7.1. Membership in the Association shall terminate upon a member's withdrawal, exclusion or death. A member of the Association may not transfer his/her membership to another person.
- 7.2. A member may withdraw from the Association at any time by submitting a written

application to the management board. If the application is submitted at least three months before the end of the Association's current financial year, membership in the Association shall terminate at the end of the current financial year. Members may not withdraw from the Association during the first five (5) years after admittance.

7.3. A member shall be excluded from the Association by a resolution of the management board with effect from the date of such resolution:

7.3.1. if the member does not meet the requirements provided in the Association's articles of association;

7.3.2. if the member fails to comply with obligations provided in the articles of association or resolutions of the general meeting or other management bodies;

7.3.3. if the member's activities damage the Association's economic interests and/or reputation.

7.4. If a member is excluded from the Association by a resolution of the management board, the management board shall notify the member of this resolution in writing within two weeks at latest and the excluded member shall have a right to appeal the management board's decision according to the law.

7.5. Membership in the Association shall terminate on the day of a member's death.

7.6. Upon termination of membership, the member's admittance fee and contributions shall not be refunded, but the Association shall pay the former member or, in case of termination under Clause 7.5, his/her successor(s) monetary compensation corresponding to the share of the Association's assets to which the member would have been entitled if the Association had been dissolved on the date of termination of the membership (hereinafter Termination Payment). Termination Payments shall be calculated on the basis of the Association's book value determined according to IFRS standards. The legal reserve shall not be taken into account when calculating Termination Payments. The Association shall make the Termination Payment within one year from the termination of membership.

7.7. If a member causes proprietary damage to the Association (incl. the Association's insolvency) upon the termination of membership, the Association may claim reasonable compensation. The amount of such compensation shall be established by the management board, but any compensation for damage may not exceed the amount of the Termination Payment as provided in Clause 7.6 of the Association's articles of association.

8. Contribution and capitals

8.1. The Association's share capital shall be made up of contributions paid by founding members upon founding. The Association's minimum share capital shall be two thousand five hundred (2,500) euros.

8.2. If the net assets of the Association are reduced below one half of the share capital, the general meeting of the Association may establish an obligation for the members to pay an additional contribution, or reduce the share capital to the minimum level provided in Clause 8.1 of the Association's articles of association.

8.3. The Association's share capital upon its foundation shall be three thousand three hundred (3,300) euros. Contribution upon the foundation shall be one hundred and fifty (150) euros. The contribution payable upon foundation shall be paid to the Association's starter account after conclusion of the memorandum of association and shall not be refunded upon termination of membership.

8.4. The admittance fee for the Association's members shall be at least fifty (50) euros and shall not be refunded upon termination of membership. The supervisory board may increase the admittance fee by its resolution.

- 8.5. The admittance fee shall be paid in money only.
- 8.6. The admittance fee shall be paid to the Association's bank account before or immediately after submitting an application for membership to the management board.
- 8.7. Additional contributions by members shall constitute a pension capital, i.e. the capital which the Association shall use to achieve its purpose as set out in Clause 3.2.1 of the Association's articles of association. In the first order, the Association shall only use the pension capital contributions to contribute to the capital of the pension fund manager owned by the Association. The supervisory board shall establish the amount of contributions to the pension capital and the procedure of payment thereof.
- 8.8. The general meeting of the Association may establish other pension capitals corresponding to the Association's areas of activity and objectives.
- 8.9. The Association may accept donations in order to achieve its objectives.

9. Distribution of profit

- 9.1. The profit of the association shall be calculated pursuant to the IFRS accounting standard and distributed according to a resolution of the general meeting.
- 9.2. Profit shall be distributed after the end of each five-year period. The Association may adopt its first resolution for distributing dividends in 2022 on the account of profit accumulated during financial years 2017-2021.
- 9.3. Payments (dividend) to members shall be made from profits from previous financial years after deducting the losses from previous financial years.
- 9.4. The dividend shall be paid to members in proportion to their contribution to the pension capital and the value of the member's pension bonus. Share capital, admittance fee and legal reserve shall not be taken into account.
- 9.5. The Association's supervisory board shall establish a procedure for calculation and payment of a pension bonus and the Association's management board shall keep records of the size of pension bonuses. The pension bonus shall be at least zero point zero five per cent (0.05%) per annum and shall be calculated by the Association's fund manager from the profit earned from the member's contributions to the 2nd and/or 3rd pillar.
- 9.6. The Association shall have a legal reserve in the amount provided by the law. Upon a resolution of the general meeting, legal reserve shall be used to cover loss if it is impossible to cover the loss from undistributed profits from previous periods.

10. Liability

- 10.1. The Association shall be liable for its obligations with all of its assets.
- 10.2. The members shall not be liable for the Association's liabilities.
- 10.3. A member of the management or supervisory board shall be liable for any damage wrongfully caused to the Association or its creditors by violation of law or the Association's articles of association, or by failure to fulfil his/her obligations.
- 10.4. Members of the management and/or supervisory board shall be jointly and separately liable for damage wrongfully caused to the Association by resolutions within the competence of the management and/or supervisory board.
- 10.5. A member of the management or supervisory board shall not be held liable if his/her dissenting opinion is recorded in the minutes of the resolution, or if he/she was absent from the management or supervisory board meeting at which the resolution was passed.

11. General meeting of the Association

- 11.1. The general meeting is the highest body of the Association. Each member of the

Association may participate in the general meeting.

11.2. The general meeting is competent to:

11.2.1. change the Association's purpose;

11.2.2. amend the articles of association;

11.2.3. elect and remove members of the supervisory board;

11.2.4. establish the number of supervisory board members and the bases and procedure for their remuneration;

11.2.5. approve the annual report and distribute profit or cover loss;

11.2.6. establish pension capitals;

11.2.7. decide on merger, division or dissolution;

11.2.8. elect and remove controllers and/or auditors;

11.2.9. decide on conclusion and terms and conditions of transactions with the members of the supervisory board and appointment of the representative of the Association in such transactions;

11.2.10. file claims against members of the supervisory board or the Association, and appoint the representative of the Association in such claims;

11.2.11. resolve appeals against refusals to grant membership or resolutions to exclude members;

11.2.12. assign additional obligations to members. At least three fourths (3/4) of the Association's members must be in favour of assigning additional obligations to members;

11.2.13. other matters not placed in the competence of the management or supervisory board by law or the articles of association.

11.3. The general meeting shall be convened and organised according to requirements provided by the law.

11.4. Every member has one vote at the general meeting. A member of the Association may be represented at the general meeting by another person to whom the member has issued a written authorisation. Each person may represent only one member of the Association.

11.5. The general meeting shall adopt resolutions by a simple majority, unless the articles of association provide additional criteria for adopting a resolution.

11.6. If the Association has more than two hundred (200) members, the Association may adopt resolutions without calling the general meeting pursuant to the procedure prescribed by law.

11.7. The following resolutions shall require the consent of one half (1/2) of the founding members of the Association. The consent of members who did not participate in the general meeting shall be submitted in writing:

11.7.1. amending the Association's articles of association;

11.7.2. changing the Association's purpose;

11.7.3. deciding on the merger, division or dissolution of the Association.

12. **Supervisory board**

12.1. The Association shall have a supervisory board. The supervisory board shall consist of at least three (3) and not more than twenty (20) members.

12.2. The general meeting shall elect the members of the supervisory board for a term of four (4) years. The supervisory board shall elect a chairperson from among its members. The members of the Association have agreed that until the founding members (Founders) are members of the Association, the members of the Association's supervisory board shall be elected according to the following procedure: in the first round of elections at the general meeting, each Founder may propose a candidate for supervisory board membership and only

the Founders shall vote to elect fifty per cent (50%) of members of the supervisory board, and in the second round of elections, each member of the Association may propose a candidate for supervisory board membership and vote to elect the remaining fifty per cent (50%) of members of the supervisory board. Any decision to recall a member of the supervisory board elected by the Founders shall be put to vote among the Founders only and at least two thirds (2/3) of the Founders must vote in favour of the decision.

12.3. The supervisory board shall plan the activities of the Association, organise its management and supervise the activities of the management board. The supervisory board shall give orders to the management board for organisation of the management of the Association. The supervisory board's approval is required for transactions of strategic importance for the Association which exceed the importance of daily activities.

12.4. The supervisory board is competent to:

12.4.1. establish the amount of and procedure for pension capital contributions;

12.4.2. establish the procedure for calculating pension bonus and the procedure for payment thereof;

12.4.3. acquire or dispose of holdings in other companies or found or dissolve subsidiaries or assume membership in other organisations;

12.4.4. acquire, transfer or terminate the activities of an undertaking;

12.4.5. found or close foreign branches;

12.4.6. approve the budget of the financial year;

12.4.7. make investments exceeding a prescribed sum of expenditure for the current financial year;

12.4.8. assume loans or debt obligations exceeding a prescribed sum for the current financial year;

12.4.9. approve the investment strategy, including the investment strategy for a pension fund manager owned by the Association;

12.4.10. decide on other issues beyond the Association's daily economic activities.

12.5. In order to fulfil its tasks, the supervisory board has the right to examine all documents of the Association and to audit the accuracy of accounting, the existence of assets and the conformity of the activities of the Association with the law, the articles of association and resolutions of the Association's management bodies.

12.6. Meetings of the supervisory board shall be held at least once (1) per quarter. Meetings shall be called by the chairperson who shall notify the call to the meeting and the agenda of the meeting at least three (3) days in advance.

12.7. A meeting of the supervisory board has a quorum if at least two thirds (2/3) of the members of the supervisory board participate. Resolutions of the supervisory board shall be adopted by a simple majority vote. The chairperson of the supervisory board shall have the deciding vote upon an equal division of votes. The supervisory board has the right to adopt resolutions without calling a meeting pursuant to the procedure prescribed by law, if more than half of the members of the supervisory board consent to it.

12.8. A member of the supervisory board may not be the owner, shareholder or member of management bodies of another company with a similar purpose or area of activity, unless so permitted by the general meeting. The members of the supervisory board shall protect the business secrets of the Association.

13. Management board

13.1. The Association shall have a management board which manages and represents the Association. The Association shall be represented jointly by two (2) members of the

management board (joint right of representation).

13.2. The management board shall consist of at least one (1) and not more than five (5) members, elected by the supervisory board for a period of four (4) years. The management board shall appoint a chairperson from among its members and establish the rules of remuneration for management board members.

13.3. The chairperson shall organise the work of the management board.

13.4. The management board shall act in accordance with the Association's articles of association and resolutions of the general meeting and the supervisory board.

13.5. The management board shall hold meetings on a need basis. A meeting of the management board shall be called by the chairperson of the management board on his or her own initiative or on the initiative of a member of the management board.

13.6. The management board may adopt decisions if all members of the management board cast a vote. The management board shall adopt decisions by a simple majority of votes.

13.7. The management board shall:

13.7.1. represent the Association in relations with other parties;

13.7.2. prepare the Association's annual report and budget and submit them to the supervisory board for approval;

13.7.3. supervise the use of the Association's assets and financial resources and organise accounting;

13.7.4. conclude contracts on behalf of the Association;

13.7.5. approve internal rules and guidelines governing the work of the Association;

13.7.6. call a general meeting;

13.7.7. perform other functions provided by the law or articles of association or prescribed in a resolution of the general meeting or supervisory board.

14. **Controller**

14.1. The general meeting of the Association shall appoint a controller or an auditor to supervise the operations of the Association.

14.2. The management board shall ensure the controller or auditor access to the documentation and accounting of the Association.

Articles of association approved by a resolution of the general meeting of 09 May 2016.