

NOT FOR PROFIT ORGANISATION ARTICLES OF ASSOCIATION

Article 1: Name

The organisation has the corporate form of not for profit organisation. It is formed under the name SME4SPACE.

Title I of the articles of the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002 shall be applicable.

Article 2: Registered Office

The organisation has its registered office at Technologielaan 9, B-3001 Leuven, Belgium.

The Board of Directors may transfer the registered office to another location in Belgium provided such location is published in the Exhibits of the Belgian Official Gazette and communicated to the Federal Government Institution of Justice.

Beside the Registered Office SME4SPACE can have an Operative Secretariat, which is located at one of SME4SPACE Working Member headquarters. The Operative Secretariat supports the Board of Director and the Chairperson to achieve the objectives of the Organization. The Operative Secretariat location is decided by the Board of Directors.

Article 3: Purpose

The organisation pursues the following not for profit purposes:

- increase the participation of Europe's Small and Medium Sized Enterprises (SMEs) in the public and private space programmes
- carry out research projects, participating at National, European and International calls in space and related activities.

The activities, which the organisation will perform to achieve its purpose, are i.a.: defining and defending common positions, representing the SMEs with public authorities i.e. the European Space Agency, the European Union and its related agencies, organising seminars and information sessions, organising a network of SMEs in order to increase the possibilities for cooperation and related activities, performing analyses, surveys and studies, participating to European and national calls and ITTs.

An SME is hereinafter defined as follows: a commercial company in the space industry meeting the criteria for an SME as defined in the Recommendation of the European Commission 2003/361/EC.

Article 4: Members

The organisation is open for Belgian as well as foreign members.

The organisation consists of legal person incorporated under the laws of one of the Member States, or Candidate Member States or Associated States of the European Space Agency.

There will be two different categories of members: Working Members and Individual Company Members.

Article 5: Accession, Removal and Exclusion

The accession of new members is subject to the following conditions:

1. Working Members: a grouping of companies of which more than half of its members, with a minimum of 5 (five) are SME's.
2. Individual Company Members: an SME.

The members can resign by registered letter sent to the Registered Office of the Association. A resignation will only be valid as from the next calendar year.

The Board of Directors can propose the exclusion of a Member of the organisation after the Member concerned has been heard. The General Assembly shall decide on the exclusion of such members by a majority of two third of the votes of the members present or represented. The Board of Directors can suspend the Member concerned until the General Assembly has reached a decision. Any exclusion will be based upon a non-conformity of the Member with the membership conditions or continuous conduct detrimental to the interests of the organisation.

Retiring or excluded members or their legal successors shall have no rights on the assets of the organisation.

Article 6: Contributions

The members shall pay a yearly contribution of maximum 5000 Euro as determined by the General Assembly upon proposition of the Board of Directors.

Article 7: the General Assembly

7.1. Power of the General Assembly

The General Assembly has the broadest authority for the purpose of accomplishing the purpose and activities of the organisation.

The following decisions shall be exclusively taken by the General Assembly:

- (a) Modifications to the Articles of Association;
- (b) Appointment and exclusion of the managing directors and, if applicable, the auditors;
- (c) Approval of the Budget and the Annual Accounts;
- (d) Discharge of the managing directors and, if applicable, the auditors;
- (e) Voluntary dissolution of the organisation;
- (f) Exclusion of a Member;

7.2. Composition

The General Assembly shall consist of all the Members of the organisation.

Each Working Member will have one vote in the General Assembly. Individual Company Members will only have a vote if there is no Working Member of the same State of the seat of the Individual Company Member.

The Members without the right to vote are allowed to participate in the meetings and shall have advisory rights.

7.3. Meeting and Notice of Meeting(s)

Every year on June 15th the General Assembly shall meet at the registered office or another location, as mentioned in the notice of meeting.

The Board or the Chairperson shall give notice in writing of a meeting at least eight (8) days preceding the meeting. Together with the notice of meeting, each member shall receive a written agenda.

In the following events and upon following conditions, the General Assembly can convene an extraordinary meeting:

- When requested by at least three Working Members
- Whenever requested by the Board of Directors

7.4. Decision-making process

The General Assembly shall not deliberate and decide validly unless at least half of its Members are present or represented.

Each voting member of the General Assembly may appoint another voting member as its special substitute or proxy. However, unless specifically agreed otherwise, a voting member may not act as proxy for more than one other voting members.

Unless agreed upon by all voting members present or represented, the General Assembly shall only deliberate and decide on matters mentioned on the agenda.

Except when otherwise agreed upon in these Articles of Association, decisions shall be taken by a simple majority of votes of the members present or represented.

Minutes of the meetings shall be produced by the Chairperson of the Board of Director, signed by at least two Directors and stored at the registered seat of the organisation. The latter shall safeguard the minutes at the registered office of the organisation. If requested the Chairperson of the Board of Directors shall provide duplicates to the Members.

Article 8: Changes to the Articles of Association and Dissolution of the organisation

Notwithstanding articles 50 §3, 55 and 56 of the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002, every proposal for modification to the current Articles of Association or dissolution of the organisation shall be made by the Board of Directors or at least two thirds of the Working Members of the organisation.

The Board of Directors shall give at least three months prior written notice to its members of the date of the General Assembly where the proposal for modifications of the current Articles of Association shall be discussed as well as of all proposed modifications to the current Articles of Association.

The General Assembly shall not deliberate and decide validly unless two third of its voting members are present or represented.

A decision to change the current Articles of Association shall only be taken in case four fifth of the voting members are in favour thereof.

In case two third of the voting members were not present or represented on the first meeting, a second meeting shall be convened, at the earliest fifteen (15) days after the first meeting. During this second meeting, a decision to change the current Articles of Association may be taken by a majority of four fifth of the voting members, independent of the number of voting members present or represented.

In accordance with article 50 §3 of the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002, changes to the current Articles of Association shall only have effect after publication in the Exhibits of the Belgian Official Gazette in accordance with article 51 §3 of the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002.

The General Assembly shall determine the procedure for dissolution and liquidation of the organization.

In case of a positive net amount after liquidation, such amount shall be donated to a private not for profit organisation with a similar purpose as the organisation.

Article 9: Board of Directors

9.1. Powers of the Board of Directors

The Board of Directors shall be competent for all matters of execution, with the exception of all powers granted to the General Assembly.

The Board of Directors is allowed to consign the daily management of the organisation to its president and/or on or more directors or other appointees of whom it shall determine the competences.

9.2. Composition

The Board of Directors, consisting of at least three members, shall be responsible for the management of the organisation.

The Directors shall be appointed by the general assembly and under the following conditions:

- There will be one (1) Director for each State represented by one or more Working Members in the General Assembly
- Directors shall be appointed by a majority vote of the General Assembly whereby each Working Member will be entitled to propose candidates.

The Directors shall forthwith lose all competences within the Board of Directors, in case of death, dismissal, civil incompetence or being put under administration, deposition or expiry of term.

The General Assembly, deciding with a majority of two third of the members present or represented, has the authority to dismiss one or more of the directors.

In case of a vacancy during the mandate of a director, the Board of Directors can appoint a preliminary replacement to finish the remainder of the mandate of its predecessor.

The Board of Directors appoints one of its members to chairperson, secretary and treasurer. All acts regarding the appointment, dismissal and termination of mandate of the directors, drafted in accordance with the applicable law(s), shall, at expense of the organisation, be deposited and communicated to the Federal Government Institution of Justice and published in the Exhibits to the Belgian Official Gazette.

9.3. Meetings and Notice of Meeting

The Board of Directors shall convene meetings at least twice a year at a location to be indicated in the invitation and upon prior written notice given by its Chairperson.

A decision may also be taken without a meeting if the Chairperson circulates to all members of the Board of Directors a written document that is then discussed, agreed upon and signed by the all of the members of the Board of Directors.

9.4. Decision Making process

The Board of Directors shall not deliberate and decide validly unless a majority of its members are present or represented.

Each director may appoint another director as its special substitute or proxy. However, unless specifically agreed otherwise, a director may not act as proxy for more than one of the other directors.

Decisions of the Board of Directors shall be taken by a simple majority of votes of the members present or represented. In case of equality of votes, the vote of the chairman shall be decisive.

9.5. Minutes of decisions of the Board of Directors

Minutes of the meetings shall be produced by its Chairperson signed by at least two directors. The Chairperson shall safeguard the minutes at the registered office of the organisation. If requested, the Chairperson shall provide duplicates to the directors and members.

Article 10: Representation of the organisation towards third parties

Except in the case of special proxies, all acts and writings that shall be binding to the organisation, need to be signed by the Chairperson of the Board of Directors or by two directors.

The board of directors acts, in the name of the organization, as the claimant or defendant in legal proceedings and shall, thereto, be represented by two directors or by its Chairperson or a director that was appointed by the board of directors thereto.

All acts regarding the appointment, dismissal and termination of mandate of the persons appointed to legally represent the not for profit organisation, drafted in accordance with the applicable law(s), shall, at expense of the organisation, be deposited and communicated to the Federal Government Institution of Justice and published in the Exhibits to the Belgian Official Gazette.

Article 11: Budget and Annual Accounts

The fiscal year starts at January 1st and ends at December 31st.

In accordance with article 53 the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002, the annual accounts as well as the budget of the previous fiscal year shall be made by the Board of Directors and be submitted to the General Assembly for approval during the first meeting following the closure of the previous fiscal year.

Article 12: Miscellaneous

Unless otherwise determined in these Articles of Association, Title III of the Belgian Code for not for profit organisations, international not for profit organisation and foundations dated May 2nd, 2002, shall be applicable.