

Association of Family Offices in Asia
Asia Co-Investors Club
Collectively “the Club”

Membership Agreement

PURPOSE

Purpose - The purpose of the *Club* is to invest assets of the *Club* in private equities, properties, natural resources, real assets, stocks, bonds, notes and other securities (collectively herein referred to as “securities”) for the education and benefit of the Members.

GOVERNANCE

The *Club* is a privately owned and operated limited liability company controlled by Association of Family Offices in Asia where important issues are voted by Council Members and Club Members or their designees. A separate Operating Agreement provides the rules for the operation of the enterprise. There are officer roles of President, Secretary and two Treasurers which are appointed by the Association of Family Offices in Asia and which comprise the Council who govern the enterprise. There is also a Board of Advisors, elected by the Single Family Office Members, who collectively make investment decisions for the *Club* subject to the rules of the *Club*.

CLUB MEMBERSHIP

Club Membership - There are several levels of membership including: Single Family Office Membership and Connector Relationship. Connectors are NOT members but may participate in *Club* functions subject to prescribed limitations.

Single Family Office Members - Each Entity, “disregarded entity,” or beneficial interest holder seeking Life Membership in the *Club* must submit an application and must agree to be bound by all of the then current terms and conditions as specified in this Membership Agreement. Each Member shall be obliged to pay joining fee USD 20,000 and pay annual fee USD 20,000.

Connector Relationship – Each corporation, limited liability company, or trust which is not a disregarded entity seeking Single Family Office Membership in the *Club* must submit an application and must agree to be bound by all of the then current terms and conditions as specified in this Membership Agreement. Member shall be obliged to pay the following fees :

- Multi-Family Office (MFO) Connectors, Life Member
Joining Fee : USD 10,000 Annual Fee : USD 20,000
- Virtual Family Office / Private Boutique (VFO/Specialist) Connectors, Life Member
Joining Fee : USD 10,000 Annual Fee : USD 15,000

- Industry Association & Solution Connectors, Life Member or 2 Year Renewal Membership
Joining Fee : N/A Annual Fee : USD 5,000

Changes In Membership – Member should notify the Club should any submitted information is changed. The Industry Association and Solution Connectors Member can withdraw from the *Club* at any time provided that he/she gives written notice to the other Members ninety (90) days prior to the expiry date of the Membership.

Transfer of Membership - A Member may not transfer, sell, assign, offer as collateral, or pledge his/her ownership in the *Club* without prior written approval of the Council of the *Club* as computed before the transfer is carried out. This transfer restriction also applies to the Members voting rights.

Beneficiaries – Members are required to assign and name a beneficiary prior to making any capital contribution to the *Club*.

Death or Incapacity – In the event of the death or incapacity of a Member, the receipt of notice of such an event shall be treated as notice of full withdrawal, and a withdrawal penalty shall not be assessed. Upon the death or incapacity of a Member, the Member's shares and their proportionate capital account shall be liquidated as soon as possible and all proceeds transferred to the named beneficiary, heirs, or estate of the Member as named in their beneficiary statement.

CLUB MEETINGS

Periodic Meetings - Periodic meetings of the *Club* shall be held periodically at a time and place to be determined by the *Club*. All *Club* meetings will have a short social period scheduled either before or after the meeting.

Member Initiated Roadshow Activity - It is a co-investment invitation as initiated by Member for one-on-one meeting or co-investors seminar format.

Annual Meeting - The January regular meeting is designated as the annual meeting. This meeting will have a special agenda, which includes the election of new officers, a review of the *Club's* activity and the scheduling of future events.

Attendance - Each Member is encouraged but not required to attend the periodic scheduled meetings or Member initiated roadshow activity. Attendance will be posted in the minutes and become an official record of the *Club*. The absent Member will be responsible for contacting one of the attending Members to cover his or her responsibilities, if any, and to obtain copies of handouts.

Agenda - The agenda for the annual meeting will be set by the Council. Anyone wishing to add to a meeting's agenda should contact the Council at least one week prior to the meeting. The

agenda plays an important role in the organizational success of the *Club*, and should be honored as such. All Members are asked to adhere to the agenda.

Minutes - Minutes of all meetings shall be taken and made available to all Members. A copy shall be placed in the *Club* minute book.

CLUB PORTAL

Standard Club Membership Service - ACIC together with AFO to maintain an internet-based network (*Club Portal*) that allows the relevant members to exchange information and get in touch with each other regarding possible investment and business opportunities;

Premium Club Membership Service - *Club Portal* also provide members the certain services from global CEOs and wealth owners community that is maintained by Opportunity Network. USD 5,500 for one year / USD 8,500 for two years

VOTING

Voting – Council has disapproval voting right while each Single Family Office Member in good standing shall have one vote to be exercised yearly at the designated annual meeting wherein Advisors are elected. Properly executed proxies are acceptable. The duly elected Advisors make all the investment decisions for the *Club* concerning investment options, operations, and management.

Good Standing - Members in “good standing” are those Members who have made all of their required contributions or payments to the *Club* and have no deficiencies in regards to attendance.

One Vote Per Member - Each Single Family Office Member in good standing shall be entitled to vote on the election of Advisors for the *Club* at the designated annual meeting. Members shall be allowed to nominate prospective Advisors at the meeting prior to the meeting where Advisors are elected and ballots shall be created by the Secretary reflecting those nominations. At the meeting wherein the election takes place, each Member or their duly authorized representative by proxy shall cast votes totaling the same number as the Advisors positions to be filled. Candidates receiving the most votes shall become the Advisors of the *Club*.

Proxies – Voting Members may designate another voting member to cast their vote in regards to any matter upon which a voting member may vote as long as a duly authorized proxy is submitted to an Advisor prior to the vote being taken. Duly authorized proxies must state what types of votes the proxy covers and the time frame the proxy is to be in effect. Both the voting member and the holder of the proxy must be members in good standing before any votes by proxy will be counted.

Decisions about investments shall be made by the duly elected Advisors of the *Club* otherwise referred to as the Board of Advisors and are therefore not subject to either direct or proxy voting by the voting membership.

ELECTIONS

Prior to the Annual Meeting, all Members will be given the opportunity to volunteer for any existing Advisor's position. This will include the current Member holding an Advisor's position. Should more than one Member volunteer for a given position, a secret ballot will be taken and the Member who receives the most votes will assume the position. This is provided a quorum is represented either directly or indirectly by proxy. Absent Members may vote by proxy.

Quorum - A quorum for the transaction of business shall be a majority of the Members. The election of Advisors and the transacting of other business shall be made by a majority of the Members present, provided a quorum is present.

Voting Procedures - All decisions that affect the investments of the *Club* and its assets will be decided by a vote. Each Member's vote, regardless of his or her percentage of ownership in the *Club*, will have an equal say in the voting process. All votes will be performed by an open showing of hands for or against an issue, except the election of officers, which will be performed by a secret ballot. All decisions will be based on a majority rule of the Members present and voting, provided there is a quorum.

ADDITIONAL PROVISIONS

Club Records - The *Club* Secretary must maintain all records for the *Club* as required by law. This may include, but not be limited to, a list of all Members including their addresses and membership percentage, records of membership transfers, minutes of all Member meetings, bank statements, reports to government authorities and accounting records. These records are to be kept at the principal office of the *Club* and may be reviewed by any Member by giving at least one day's notice to the *Club's* Secretary.

Authority – The Council of the *Club* and/or any Member of the *Club* may have authority to transact any business or enter into any transaction of the *Club* or further its financial interest in the due course of business with one exception: No Member has authority to obtain loans, lines of credit or commit the *Club* to any bank or lending institution without prior written approval of Board of Advisors and ratified by the Council of the *Club*.

Disputes - In the event of a dispute between the Members regarding this Membership Agreement or any matter regarding the *Club*, the dispute shall be presented to the Council for resolution.

Changes - This document is the only agreement between the Members of the *Club* and replaces any verbal or written agreement between Members. It cannot be replaced, amended or altered in any way without the approval of the Board of Advisors and ratified by the Council of the *Club*.

If any provision of this Membership Agreement is determined to be legally unenforceable then that provision only shall be stricken from the agreement, leaving the remainder of the agreement in force.

Implementing Club Resolutions - Any Member responsible for carrying out a *Club* investment resolution (i.e., depositing *Club* dues, buying and selling securities, etc.) will do so the first business day after the meeting (or whenever stipulated by the resolution), or recruit another Member to assist in the timely completion of the assignment.

INVOLUNTARY TERMINATION

Forbidden Acts – No Member Shall:

Have the right or authority to bind or obligate the *Club* to any extent whatsoever with regard to any other matter outside the scope of the *Club* business.

Without an affirmative vote of the Board of Advisors and ratified by the Council of the *Club*, no Member shall be allowed to assign, transfer, pledge, mortgage or sell all or part of their interest in the *Club* to any other Member or other person whomsoever, or enter into any agreement as the result of which any persons not a Member shall have any interest in the *Club*.

Use the *Club* name, credit or property for other than *Club*/Membership purposes.

Do any act detrimental to the interest of the *Club* or which would make it impossible to carry on the business or affairs of the *Club*.

Arrears - After each meeting, any Member in arrears will be posted in the Secretary's report and will become an official record of the *Club*. Any Member who is in arrears for more than ninety-one (91) days will be automatically withdrawn from the *Club*. Any Member who fails to comply with the annual fee requirement shall be considered to have withdrawn from the *Club*, unless otherwise determined by a majority vote of the Board of Advisors of the *Club*.

Removal of a Member - Any Member may be removed by agreement of an absolute majority of Members or at the discretion of the Council. Written notice of a meeting where removal of a Member is to be considered shall include a specific reference to this matter. The removal shall become effective upon payment of the value of the removed Member's capital account, which shall be in accordance with the provisions on full withdrawal of a Member.

DATA MANAGEMENT

Purposes of Data Collection - The personal data provided by means of this online form will be used by the *Club*, AFO or its service providers for the following purposes:-

- (a) Processing your application;
- (b) Management, operation and maintenance of the *Club* services;
- (c) Updating your records maintained with us;

- (d) Communication by us to you;
- (e) Investigation of complaints, suspected suspicious transaction and research for service improvement.

Data Management :

If you do not provide your personal data to us, we may be unable to provide you with the required service. In order to process your application, your personal data may be disclosed to:-

- (a) Service and Payment Vendors or Partners;
- (b) Third Party Operator(s) under a duty of confidentiality to us. Such Third Party Operator” is an entity, whether in Hong Kong or elsewhere, with which we have entered into a formal business relationship to provide you with cross-border services, if any.
- (c) Our agents or contractors under a duty of confidentiality to us who provide administrative, telecommunications, computer, payment, data processing or other services to us in connection with the operation of our business (such as professional advisors, call centre service providers, debt collection agencies (in the event you owe us any money), gift redemption centres or data entry companies);
- (d) Our affiliates which owe a duty of confidentiality to us;

The parties mentioned in clauses 3(a), (b), (c) and (d) above may be located outside Hong Kong Access to Personal Data. You have a right of access and correction with respect to your personal data as provided for in sections 18 and 22 and principle 6 of Schedule 1 of the Personal Data Protection Ordinance. Your right of access includes the right to obtain a copy of your personal data subject to payment of a fee. Enquiries concerning the personal data collected by means of this online form, our privacy policy and the making of access and corrections, may be addressed to The Data Protection Officer at GPO Box 11666, Hong Kong Post Office or email to evalaw@familyoffices-asia.org or acia@cag.hk.

CONFLICT OF INTEREST

THERE IS AN ACTUAL CONFLICT OF INTEREST BETWEEN THIS CLUB, INCLUDING THE MEMBERS THEREOF, AND THE FOUNDER OF THE *CLUB*, THE DESIGNATED SECURITIES ADVISOR, PROFESSIONAL BUSINESS SERVICES, INC., THE DESIGNATED ACCOUNTANT.

FURTHER, SOME MEMBERS MAY HAVE INTERESTS IN PROJECTS FUNDED OR PROSPECTIVELY BEING FUNDED BY THE *CLUB*.

EXECUTION

This Membership Agreement is hereby declared and shall be binding upon the Members and their respective heirs, executors, administrators, and personal representatives.

As evidenced by their signatures below, the Members of the *Club* hereby adopt this Membership Agreement in its entirety and agree to be bound by its terms.

Further, each Member acknowledges the CONFLICT of INTEREST as described above and nonetheless agrees to join the *Club*.

Each Member hereby acknowledges that he/she has utilized, or has had the opportunity to utilize, the services of other professional advisors including legal counsel, concerning the execution of this MEMBERSHIP AGREEMENT. Further, irrespective of whether such advice is deemed unnecessary, actually sought, utilized or ignored, Member hereby warrants that Member is of sufficient business acumen to execute this MEMBERSHIP AGREEMENT and make it binding.

Member understands, recognizes, and agrees that there are certain risks, dangers, and perils inherent in the operation of an investment club and by joining this *Club*, Member agrees to assume these risks being under no compulsion or duress.