



## Participation Terms

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This document does not constitute an offer or an agreement of any type. This document is not intended to create any legally binding or enforceable obligations whatsoever.

**OIKOCREDIT,  
Ecumenical Development Cooperative Society U.A.  
as the Society**

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**VERSION** dated 1 October 2023

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with regard to the terms and conditions in respect of  
the participation rights issued by the Society

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## PARTICIPATION TERMS

Terms and conditions in respect of the rights of participation issued by OIKOCREDIT, Ecumenical Development Cooperative Society U.A.

### INTRODUCTION

- A. The Society may issue Participations, the rights to which are determined by or pursuant to the Articles of Association and these Participation Terms.
- B. These Participation Terms, in addition to the Articles of Association, govern the relationship between the Society and the Participants.
- C. The Articles of Association and these Participation Terms set out – among other topics – the main framework for the eligibility requirements for acquiring and holding Participations and the issuance, redemption and valuation of Participations, with a view to facilitating a controlled process of issuance and redemption of Participations.

## 1 DEFINITIONS AND INTERPRETATION

1.1 Capitalised terms and expressions used in the Participation Terms shall have the following meaning:

<b>Account Statement</b>	an overview issued by the Society to a Participant, containing certain details about the Participant, including information set out in the Register with regard to the Participant
<b>Article</b>	an article of these Participation Terms
<b>Articles of Association</b>	the articles of association of the Society
<b>Assets Amount</b>	the aggregate amount of the assets of the Society, as determined by the Society in euros as at the last calendar day of each month, as further set out in these Participation Terms
<b>Batch Month</b>	has the meaning ascribed thereto in Article 5.2
<b>Business Day</b>	means a day (other than a Saturday or a Sunday) on which banks are generally open in the Netherlands for the conduct of normal business
<b>CAD Investor Amount</b>	the amount, calculated in euros by the Society as at the last calendar day of each month by dividing (i) the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in Canadian dollars by (ii) the euro/Canadian dollar (EUR/CAD) end of day reference rate published by Bloomberg as at the last calendar day of each month, which calculation shall be made by the Society in accordance with these

## Participation Terms

<b>CDD Requirements</b>	the customer due diligence (CDD) requirements and procedures related to anti-money laundering (AML), anti-terrorist financing (ATF) and sanctions laws, as applicable to the Society
<b>CHF Investor Amount</b>	the amount, calculated in euros by the Society as at the last calendar day of each month by dividing (i) the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in Swiss francs by (ii) the euro/Swiss franc (EUR/CHF) end of day reference rate published by Bloomberg as at the last calendar day of each month, which calculation shall be made by the Society in accordance with these Participation Terms
<b>Eligible Holder</b>	has the meaning ascribed thereto in Article 2.1
<b>EUR Investor Amount</b>	the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in euros, calculated by the Society as at the last calendar day of each month, in accordance with these Participation Terms
<b>Foreign Currency</b>	a currency other than euros, in which the nominal value of a Participation is expressed (i.e., Swiss francs (CHF), United States dollars (USD), Canadian dollars (CAD), Swedish krona (SEK) or British pound sterling (GBP))
<b>Fraction</b>	a fraction of a Participation, expressed in up to two decimal places
<b>GBP Investor Amount</b>	the amount, calculated in euros by the Society as at the last calendar day of each month by dividing (i) the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in British pound sterling by (ii) the euro/British pound sterling (EUR/GBP) end of day reference rate published by Bloomberg as at the last calendar day of each month, which calculation shall be made by the Society in accordance with these Participation Terms
<b>General Meeting</b>	the body formed by the Members, or a formal meeting of Members convened as such
<b>Issuance Request</b>	a request to issue one or more Participations
<b>Issue Monthly Batch</b>	has the meaning ascribed thereto in Article 5.2
<b>Issue Price</b>	the price to be paid upon issuance of a Participation
<b>Managing Board</b>	the managing board ( <i>bestuur</i> ) of the Society
<b>Member</b>	a member of the Society
<b>Membership</b>	membership in the Society, including all rights and obligations attached thereto
<b>MLSR</b>	the monthly liquidity & solvency report which is an internal report of the Society describing the available liquidity of the Society,

	indicating whether the NAV per Participation is above nominal value and making forecasts of the liquidity and NAV for the next month and stress scenarios for the upcoming six (6) to twelve (12) months
<b>Monthly Issuance &amp; Redemption Meeting</b>	has the meaning ascribed thereto in Article 5.4
<b>MyOikocredit</b>	an online portal which enables Participants to self-manage their personal data, Issuance Requests and Redemption Requests and gain insight into their Participations
<b>NAV</b>	the amount calculated in euros by the Society by subtracting the Non-Equity Liabilities Amount from the Assets Amount, as further set out in these Participation Terms
<b>NAV per Participation</b>	the amount, calculated in euros by the Society by multiplying the NAV Quotient with the nominal value of the Participation denominated in euros (two hundred euros (EUR 200)), as at the last calendar day of each month, as further set out in these Participation Terms
<b>NAV Quotient</b>	the quotient of NAV divided by the Total Investor Amount
<b>Non-Equity Liabilities Amount</b>	the aggregate amount of the liabilities of the Society as reflected in the balance sheet of the Society as at the last calendar day of each month, excluding the liabilities that reflect the amounts paid up on Participations by Participants, respectively, as determined by the Society in euros
<b>Participant</b>	the holder of a Participation
<b>Participation</b>	a registered participation right issued by the Society, the rights to which are determined by or pursuant to the Articles of Association and these Participation Terms
<b>Participation Redemption Form</b>	the form used to submit a Redemption Request, pursuant to which redemption of Participations can be subject to terms and conditions that deviate from those set out herein to the extent required under the local laws of the jurisdiction where the Participant using the form resides. The form is made available through the websites, MyOikocredit, the offices of the Society or via such other means as determined by the Society from time to time
<b>Participation Subscription Form</b>	the application form for the subscription of Participations, pursuant to which Participations can be subject to terms and conditions that deviate from those set out herein to the extent required under the local laws of the jurisdiction where the (prospective) Participant using the form resides. The form is made available through the websites, MyOikocredit, the offices of the Society or via such other means as determined by the Society from time to time.

<b>Participation Terms</b>	these participation terms, as amended from time to time and adopted by the Managing Board
<b>Redemption Monthly Batch</b>	has the meaning ascribed thereto in Article 5.2
<b>Redemption Price</b>	the price at which the Society may repurchase a Participation
<b>Redemption Request</b>	a request to redeem one or more Participations
<b>Register</b>	has the meaning ascribed thereto in Article 7
<b>SEK Investor Amount</b>	the amount, calculated in euros by the Society as at the last calendar day of each month by dividing (i) the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in Swedish krona by (ii) the euros/Swedish krona (EUR/SEK) end of day reference rate published by Bloomberg as at the last calendar day of each month, which calculation shall be made by the Society in accordance with these Participation Terms
<b>Society</b>	OIKOCREDIT, Ecumenical Development Cooperative Society U.A., a cooperative with excluded liability ( <i>coöperatie met uitgesloten aansprakelijkheid</i> ) incorporated under Dutch law, having its corporate seat ( <i>statutaire zetel</i> ) in Amersfoort (address: Berkenweg 7, 3818 LA, Amersfoort, the Netherlands) with trade register number 31020744
<b>Subordinated Claims</b>	has the meaning ascribed thereto in Article 4.8
<b>Supervisory Board</b>	the supervisory board of the Society
<b>Total Investor Amount</b>	the sum of the following amounts, calculated in euros by the Society as at the last calendar day of each month, in accordance with these Participation Terms: <ul style="list-style-type: none"> <li>(a) the EUR Investor Amount;</li> <li>(b) the CHF Investor Amount;</li> <li>(c) the USD Investor Amount;</li> <li>(d) the GBP Investor Amount;</li> <li>(e) the CAD Investor Amount; and</li> <li>(f) the SEK Investor Amount</li> </ul>
<b>Transfer Form</b>	has the meaning ascribed thereto in Article 10.2.
<b>USD Investor Amount</b>	the amount, calculated in euros by the Society as at the last calendar day of each month by dividing (i) the aggregate nominal value of all outstanding Participations (including Fractions) that are denominated in United States dollars by (ii) the euro/United States dollar (EUR/USD) end of day reference rate published by Bloomberg as at the last calendar day of each month, which calculation shall be made by the Society in accordance with the Participation Terms.

- 1.2 Terms that are defined in singular shall have the corresponding meaning in the plural and vice versa.
- 1.3 The term "written" or "in writing" shall also include the use of electronic means of communication, as well as submission via MyOikocredit.

## 2 REQUIREMENTS TO HOLD PARTICIPATIONS

- 2.1 Participations can only be acquired by a natural person, an entity or an organisation that meets all of the following eligibility requirements (an "**Eligible Holder**"):
- a. is resident in a country where the Society is authorised to offer Participations;
  - b. fully subscribes to the purposes of the Society and confirms so upon request by the Society; and
  - c. complies with the CDD Requirements.
- 2.2 To decide whether a natural person, entity or organisation is an Eligible Holder and, among other things, complies with the CDD Requirements, the Society will perform periodic assessments that comprise know-your-customer (KYC) verification procedures. In doing so, the Society will process certain personal data of each (prospective) Participant, as set out in the Participation Subscription Form. These assessments aim to prevent that the Society is used to facilitate criminal activity, such as terrorist financing and money laundering. The privacy statement on the website of the Society ([www.oikocredit.coop/privacy](http://www.oikocredit.coop/privacy) and relevant privacy statements per country website of the Society) provides further detail on how, for which purposes and what kind of personal data will be processed by the Society.

## 3 ISSUANCE OF PARTICIPATIONS

- 3.1 The Society may – but is not obligated to – issue Participations. The Managing Board is authorised to decide to issue Participations. Participations may be issued only to Eligible Holders. No certificates of Participations (*participatiebewijzen*) will be issued. An Account Statement is not a certificate of one or more Participations (*participatiebewijs*).
- 3.2 Each Participation has a nominal value of two hundred euros (EUR 200), two hundred and fifty Swiss francs (CHF 250), two hundred United States dollars (USD 200), two hundred Canadian dollars (CAD 200), two thousand Swedish krona (SEK 2,000), or one hundred and fifty British pounds sterling (GBP 150), as determined by the Managing Board subject to the approval of the Supervisory Board.
- 3.3 The first Issuance Request by a prospective Participant takes place by sending a fully completed Participation Subscription Form to the Society. Any further Issuance Request by a Participant for additional Participations takes place by submitting an Issuance Request to the Society through a Participation Subscription Form or by such other means as determined by the Society. Any Issuance Request must state the amount and currency for which the request is made, provided that the first Issuance Request is always subject to a minimum amount corresponding to the nominal value for one Participation as applicable at that time.

- 3.4 Following receipt of a first Issuance Request from a prospective Participant, the Society will:
- a. assess whether the prospective Participant is an Eligible Holder;
  - b. confirm in writing to the prospective Participant whether or not it meets the requirements to qualify as an Eligible Holder and is approved as such by the Society;
  - c. request the prospective Participant that is approved as an Eligible Holder, to transfer the amount which the prospective Participant has requested to invest pursuant to the relevant Issuance Request to the Society within sixty (60) days after the positive confirmation referred to under b in order for the Society to consider issuing the Participation(s) to the prospective Participant with an effective date of the first day of the following month after receipt of the amount.

Two or more of the confirmations and requests set out in Article 3.4b and c above and in Article 3.5b below may be combined and sent simultaneously to the (prospective) Participant.

- 3.5 If (i) the Society has received an Issuance Request from a prospective Participant and approved the prospective Participant as an Eligible Holder, or in case of receipt of an Issuance Request from a Participant; (ii) the Society has received the total amount to be invested by the (prospective) Participant in its bank account; and (iii) the Managing Board has decided to issue the relevant Participation(s), the Society will:
- a. issue the Participation(s) to the prospective Participant or the Participant, as the case may be, in accordance with the Articles of Association and these Participation Terms; and
  - b. send a written confirmation to the Participant of the acquisition of the Participation(s) by providing an Account Statement via the MyOikocredit portal or in another manner to be determined by the Society.
- 3.6 Issuance Requests are subject to a right of withdrawal for (prospective) Participants, as further set out in the Participation Subscription Form and other documents by means of which Issuance Requests can be made. A withdrawal request made pursuant to the aforementioned right of withdrawal cannot be revoked.
- 3.7 The Managing Board has the discretion to honour or not to honour any Issuance Requests. In exercising its discretionary powers regarding Issuance Requests, the Managing Board will take into account the assets and liabilities of the Society as well as its liquidity and solvency position and the requirements as referred to in Article 2.1 of these Participation Terms.
- 3.8 The Issue Price shall be determined by the Society in accordance with the following principles:
- a. the Issue Price for a Participation with a nominal value in euros is determined as follows:
    - i. if the NAV per Participation is equal to or higher than two hundred euros (EUR 200), the Issue Price shall be two hundred euros (EUR 200);
    - ii. if the NAV per Participation is lower than two hundred euros (EUR 200), the Issue Price shall be equal to the NAV per Participation;
  - b. the Issue Price for a Participation with a nominal value in a Foreign Currency shall not exceed the nominal value of the Participation, and is determined as follows:
    - i. if the NAV per Participation is equal to or higher than two hundred euros (EUR 200), the Issue Price is equal to the nominal value of the Participation in the relevant Foreign Currency;
    - ii. if the NAV per Participation is lower than two hundred euros (EUR 200), the Issue



Price is equal to the product of the NAV Quotient multiplied by the nominal value of the Participation in the Foreign Currency.

Calculation examples regarding the Issue Price in each of the situations under Article 3.8a and 3.8b above are included in Part 1 of Annex 1 to these Participation Terms.

3.9 The Managing Board may resolve that one or more Participations are divided into such number of Fractions as may be determined by the Managing Board subject to the approval of the Supervisory Board. Unless explicitly provided otherwise, the provisions of the Articles of Association and these Participation Terms concerning Participations and Participants apply mutatis mutandis to Fractions and the holders thereof, respectively.

3.10 The key steps and timeline for the issuance of Participations are summarised below.



<b>Requirements / Actions</b>	Complete Participation Subscription Form and supporting documentation provided by the (prospective) Participant.	Positive outcome of the KYC screening.	Confirmation of the subscription including the Society's bank account details.	(Prospective) Participant's invested amount under the Issuance Request received in the Society's bank account.  Satisfactory outcome of bank account due diligence.	The Managing Board decides at its discretion on all issuance request(s) made in the preceding Batch Month in respect of which payment was received in the preceding Batch Month.	If the Managing Board has decided to honour the issuance request(s) made in the preceding Batch Month, in respect of which payment was received in the preceding Batch Month, the Society will issue Participations with economic effect from the first calendar day of the month following the relevant Batch Month.
<b>Timing</b>	Before end of the Batch Month	Before end of the Batch Month	Before end of the Batch Month	Before end of the Batch Month or within 60 days after confirmation of the positive outcome of the KYC screening.	Fifth Business Day after the Batch Month	Sixth Business Day after the Batch Month

## 4 REDEMPTION OF PARTICIPATIONS

4.1 A Participant can submit a Redemption Request by submitting a fully completed Participation Redemption Form to the Society.

4.2 A Participation may be redeemed in accordance with the Articles of Association and these Participation Terms, at the discretion of the Managing Board. There is no maximum term within which any redemption of Participations should occur, regardless of whether any Participation was subject to such maximum term in the past.

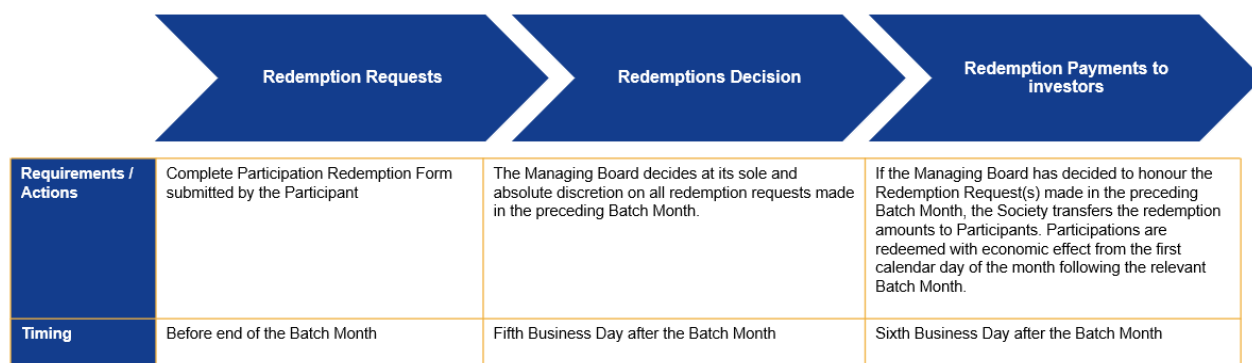
4.3 The Redemption Price for a Participation shall be determined by the Society in accordance with the following principles:

- a. the Redemption Price for a Participation with a nominal value in euros shall be equal to the NAV per Participation, unless the NAV per Participation is equal to or higher than two hundred euros (EUR 200), in which case the Redemption Price shall be two hundred euros (EUR 200);
- b. the Redemption Price for a Participation with a nominal value in a Foreign Currency is equal to the product of the NAV Quotient multiplied by the nominal value of the Participation in the relevant Foreign Currency, unless the NAV per Participation (which is calculated in euros by definition) is equal to or higher than two hundred euros (EUR 200), in which case the Redemption Price is equal to the nominal value of the Participation in the relevant Foreign Currency.

Calculation examples regarding the Redemption Price in each of the situations under Article 4.3a and 4.3b above are included in Part 2 of Annex 1 to these Participation Terms.

- 4.4 If the Society is or will be obliged by law to pay, retain or withhold any taxes on payments made towards Participants in connection with a redemption of a Participation, the Society may deduct the amount of taxes from the Redemption Price for the Participation.
- 4.5 The Society may redeem a Participation at the request of a Participant that files a Redemption Request in accordance with Article 5. The Managing Board may decide at its sole and absolute discretion to honour or not to honour Redemption Requests, with due observance of Article 5.3.
- 4.6 In the event that a Participant is not or no longer an Eligible Holder, such to be decided at the sole discretion of the Society, the Society is authorised to redeem all Participations held by the Participant without a Redemption Request from the Participant.
- 4.7 If the Society wishes to redeem the Participations held by a Participant that is not or no longer an Eligible Holder, the Society will notify the Participant thereof in writing, stating the reason(s) for the redemption. Redemption of Participations held by a Participant that is not or no longer an Eligible Holder shall take place forthwith after such notification, at the sole discretion of the Society and against the Redemption Price that is applicable at that time. The Society shall be entitled to perform any actions on behalf of the Participant that the Society deems necessary to effectuate the redemption. Articles 4.2, 4.10 and 4.12 shall not apply to redemption in accordance with this Article 4.7.
- 4.8 All claims of a Participant under its Participation(s), including any claim for payment of dividends or other distributions, and any claim in connection with a redemption of its Participation(s) or the liquidation of the Society, as well as any interest thereon (jointly referred to as "**Subordinated Claims**") are subordinated in any insolvency proceedings to all present and future liabilities of the Society. The Society is only obliged to pay the Subordinated Claims and the Participant may only demand payment thereof: (a) when and to the extent that the Society is in a position to make such payment and will remain able to continue paying its debts as they fall due; and (b) provided that such payment does not create an obligation for the Managing Board to file for insolvency proceedings of the Society under the applicable Dutch laws.
- 4.9 Any Redemption Request must state either the number of Participations for which redemption is requested or the amount in the currency (euro or Foreign Currency) in which such Participations, for which redemption is requested, are denominated.
- 4.10 The redemption becomes effective by approval by the Managing Board of the decision of the Monthly Issuance & Redemption Meeting. The Society will remit the redemption proceeds as soon as reasonably possible after the decision of the Managing Board to the bank account of the Participant. Following approval by the Managing Board as set out in the first sentence of this Article 4.10, the Society shall confirm any Redemption Request which it has approved through an Account Statement via the MyOikocredit portal or in another manner to be determined by the Society.
- 4.11 If a Participant holds less than one Participation, the Society is authorised at its discretion to redeem all Fractions held by the Participant without a Redemption Request from the Participant. The process and steps set out in Article 4.7 apply *mutatis mutandis* in this case.

4.12 The key steps and timeline for the redemption of Participations are summarised below.



## 5 DETERMINATION OF NAV, ISSUANCE AND REDEMPTION MONTHLY PROCESS

- 5.1 The process for calculating the NAV and the monthly issuance and redemption cycle are summarised in Annex 2 to these Participation Terms.
- 5.2 All Redemption Requests made in the same calendar month (the "**Redemption Monthly Batch**") shall be treated as having been made on the last day of that month (the "**Batch Month**"). Similarly, all Issuance Requests made in a Batch Month shall be treated as having been made on the last day of that month (the "**Issue Monthly Batch**"). For example, a Redemption Request made on 18 June in any given year is treated in the same way as a request made on 30 June of the same year.
- 5.3 All requests comprising a Redemption Monthly Batch or an Issue Monthly Batch, respectively, shall be treated equally, i.e. irrespective of the sequence of filing, the amount or the reason for the request.
- 5.4 In exercising its discretion as to whether and how Redemption Requests and Issuance Requests in a Batch Month are honoured, the Managing Board shall take into account the most recent MLSR and the recommendation of the meeting of the Society's relevant in-house specialists (the "**Monthly Issuance & Redemption Meeting**").
- 5.5 The Society may at its sole discretion decide to have the balance sheet go through a process of independent assurance, including having it audited, in order to determine the NAV.
- 5.6 Ultimately on the fifth (5<sup>th</sup>) Business Day of the month following the Batch Month, the Managing Board shall, taking into account the MLSR and the recommendation of the Monthly Issuance & Redemption Meeting, decide whether or not to honour Issuance Requests and Redemption Requests made during the Batch Month. The Society shall inform the Participants that filed a Redemption Request or an Issuance Request of the Managing Board's decision.
- 5.7 In the event that a material change occurs between the decision of the Managing Board and the moment of communication of the decision on the fifth (5<sup>th</sup>) Business Day of the month following the Batch Month, the Managing Board shall reassess its decision. For the purpose of the reassessment of its decision, the Managing Board shall take into account the material change and consider whether it would be prudent to honour Redemption Requests and Issuance Requests in the Batch

Month concerned.

- 5.8 The Issue Monthly Batch or the Redemption Monthly Batch can be corrected, however only:
- a. as a result of a withdrawal by a (prospective) Participant as referred to in Article 3.6; or
  - b. as a result of mistakes in the Issue Monthly Batch or the Redemption Monthly Batch due to administrative or technical failure by the Society.

## **6 RELEVANT CONSIDERATIONS TO INFORM THE MANAGING BOARD**

- 6.1 In its recommendation to the Managing Board, the Monthly Issuance & Redemption Meeting shall in any event always take into account the liquidity and the solvency of the Society. In addition, it may also take into account other factors that it may deem relevant.
- 6.2 Liquidity refers to the ease with which the Society can meet its financial obligations and facilitate Redemption Requests with the liquid assets available at any given point in time. To assess whether liquidity levels are sufficient, all facts and circumstances must be taken into account, including an assessment of liquidity needs and uses within a one-year horizon.
- 6.3 Solvency refers to the Society's ability to absorb unexpected losses and still be able to meet its financial obligations. Solvency is essential to staying in business as it demonstrates the Society's ability to continue operations and withstand financial shocks into the foreseeable future. The key indicators for solvency are the NAV and the NAV compared to the Society's total assets (unweighted capital ratio). The Society may develop other methods to assess solvency over time.

## **7 REGISTER AND ACCOUNT STATEMENT**

- 7.1 The Society shall keep a register setting out the names and addresses of all Participants, the Participations registered in each Participant's name, the dates on which they acquired the Participations, the nominal value of their Participations, and such other details as the Society considers useful for administrative purposes (the "**Register**").
- 7.2 The Register shall also serve to keep record of the issue, transfer, conversion and redemption of Participations. The Register constitutes conclusive evidence with regard to the Participations.
- 7.3 Each Participant must notify the Society of its email- and residential address, as well as its bank account details for the purpose of payments of dividend or other distributions, and any other communication in relation to the Society. The Participant shall inform the Society of any change to the foregoing information within thirty (30) calendar days of the change. If a Participant has failed to notify the Society of a change, the consequences of not (timely) informing the Society will be for the account and risk of the Participant and the Society shall therefore not be liable for any damages to the Participant arising from the Participant's failure to notify the Society.
- 7.4 Each Participant may at any time apply for an Account Statement with respect to its Participations. If a Participant does not object to the contents of an Account Statement within one (1) month after it could have reasonably received it, the contents of the Account Statement will be deemed to have been approved by the Participant.

## 8 DIVIDENDS AND DISTRIBUTIONS

- 8.1 The Society can make distributions in the form of dividend payments to Participants from the net profits or the reserves pursuant to a resolution of the General Meeting, at the proposal of the Managing Board subject to the approval of the Supervisory Board, in accordance with the Articles of Association and these Participations Terms, and in each case subject to Article 4.8. The entitlement of Participations to dividends from the net profits of a financial year (if distributed) will be calculated on a *pro rata temporis* basis, whereby each full month during which a Participation is outstanding in the relevant financial year will entitle the Participation to one/twelfth (1/12<sup>th</sup>) part of the annual dividend attributable to the Participation. This means, for example, that a Participation that was redeemed with effect from 1 November as part of the Redemption Monthly Batch for October of a financial year in respect of which the dividend is calculated, will be entitled to ten/twelfth (10/12<sup>th</sup>) part of the dividend attributable to a Participation that was outstanding during that entire financial year.
- 8.2 Distributions to the Participants will be made after deduction of taxes, if any, which the Society must pay or withhold. Subject to Article 8.1, the Society will calculate the entitlement of each Participation to a distribution from the net profits or the reserves as a percentage of the nominal value of such Participation.
- 8.3 On the Participation Subscription Form, the (prospective) Participant can indicate how the dividend should be distributed. Each Participant is asked to indicate whether it wants the net dividends to be paid out in cash or in kind through the issuance of Participations or Fractions (stock dividend) or donate it to the entity mentioned on the relevant form. If the Participant did not choose any of these options, dividends will be distributed in kind. Participants may put a request to the Society in writing to change their dividend payment for a specific year until the 1<sup>st</sup> of June of the following year.
- 8.4 The Society will pay cash dividends or other cash distributions (including distribution of any surplus in the event of liquidation) to the bank account number as included in the Register. Payment of any amount to such bank account will release the Society from liability for the amount of that payment.
- 8.5 Dividends on Participations denominated in euros, United States dollars, Swiss francs, Canadian dollars, British pounds sterling or Swedish krona, respectively, will be paid in cash only to a Participant if the aggregate Participations administered on a specific account of such Participant are entitled to a dividend in the amount of at least EUR 1, USD 1, CHF 1, CAD 1, GBP 1 or SEK 10, respectively. If the aggregate Participations administered on a specific account of a Participant are entitled to a dividend below the thresholds in the previous sentence, such dividend will be automatically reinvested as stock dividend unless all of the Participations on the relevant account were redeemed in the preceding financial year in respect of which the dividend is calculated; in the latter case the dividend will nevertheless be paid out in cash to the Participant or – if the Participant has instructed the Society to do so and such donation is in accordance with local laws – donated to the entity mentioned on the Participation Subscription form or any other relevant form designated for that purpose by the Society.
- 8.6 Any surplus arising from the liquidation of the Society will be calculated and paid out as set out in the Articles of Association. Calculation examples are included in [Annex 3](#) to these Participation Terms.

- 8.7 The right of the Participant to dividends or any other distribution by virtue of the holding of Participations will lapse (*vervallen*) five years after the dividend or other distribution has become payable. In any event, all rights will lapse five years after full redemption of all Participations of the Participant.
- 8.8 If it is resolved that a payment will be made to the Participants in accordance with this Article 8, the Society will publish that decision on [www.oikocredit.coop/news](http://www.oikocredit.coop/news). The payment is due and payable as of the thirtieth (30th) day after the payment date specified in the published decision.

## **9 RELATION BETWEEN PARTICIPANTS AND THE SOCIETY; NO MEMBERSHIP RIGHTS**

- 9.1 The Participation Terms apply to Participations and govern the legal relationship between the Participants and the Society in addition to the provisions of the Articles of Association. In case of a contradiction between the Participation Terms and the Articles of Association, the latter prevail.
- 9.2 Any person or organisation that has subscribed to or acquired Participations shall be deemed to have accepted the Participation Terms.
- 9.3 A Participant does not become a Member of the Society by acquiring or holding Participations. No Membership of the Society is attached to the Participations.
- 9.4 Participations do not confer on their holder the right to attend the General Meeting or the right to vote. The Society does not hold meetings of Participants.

## **10 ENCUMBRANCE, TRANSFERABILITY AND JOINT OWNERSHIP**

- 10.1 Participations cannot be charged with a right of pledge, usufruct or any other right or encumbrance.
- 10.2 A Participant may submit a request to transfer one or more of its Participations by sending a fully completed transfer form ("**Transfer Form**") to the Society. Following receipt of a Transfer Form the Society will assess whether the (prospective) transferee is an Eligible Holder, and the Society will confirm in writing to the (prospective) transferee whether or not it meets the requirements to qualify as an Eligible Holder and is approved as such by the Society. Where an entity intends to transfer one or more Participations to holders of instruments enabling investors to indirectly invest in Participations, such transfer may be effectuated by an agreement of transfer between that entity and the Society by means of such document(s) as the Society and this entity jointly determines at its discretion.
- 10.3 If a Participation is jointly held, any action on behalf of the joint holders of such Participation vis-à-vis the Society – including but not limited to the signing of any document – can be taken by any of the joint holders acting individually without requiring the explicit consent from the other holder(s).

## **11 NOTICES**

11.1 Notices to a Participant shall be given in writing to the Participant's address, email address or through MyOikocredit, depending on the preferences of the Participant entered in the Register.

11.2 Notices to the Society must be sent by mail or email to the following address:

Oikocredit International

PO Box 2136

3800 CC Amersfoort

The Netherlands

Email: [oi.support@oikocredit.org](mailto:oi.support@oikocredit.org)

For support from one of our regional offices, please refer to the contact details at [www.oikocredit.coop/invest-in-oikocredit/select-your-country](http://www.oikocredit.coop/invest-in-oikocredit/select-your-country).

## **12 EFFECTIVE DATE**

These Participation Terms apply as of 1 October 2023.

## **13 AMENDMENT OF THE PARTICIPATION TERMS**

13.1 The Participation Terms shall be adopted and amended pursuant to a resolution of the Managing Board, subject to the approval of the Supervisory Board.

13.2 The Society shall publish the amended Participation Terms on its websites, which are accessible via [www.oikocredit.coop/important-documents](http://www.oikocredit.coop/important-documents). The amended Participation Terms will take effect on the first Business Day after one month has elapsed since the publication of the amendments on that website.

13.3 An amendment to the Articles of Association or the Participation Terms may lead to a change to the rights of Participations or the nature of Participations. Amendment to the Articles of Association or adoption of or amendment to the Participation Terms does not require the approval of the Participants.

## **14 CHOICE OF LAW AND DISPUTES**

14.1 The Participation Terms and the documents to be entered into pursuant to it, shall be exclusively governed by and construed in accordance with the laws of the Netherlands. Any matter, claim or dispute arising out of or in connection with the Participation Terms, whether contractual or non-contractual, is to be governed by and determined in accordance with Dutch law.

14.2 Any dispute arising out of or in connection with the Participation Terms, whether contractual or non-contractual, shall be exclusively submitted to the jurisdiction of the competent court in Amsterdam.

## How are the issue price and the redemption price of participations calculated?

*This annex is intended to convey the key points about the way in which Oikocredit determines the issue and redemption price of participations. Please note that, for the sake of clarity and simplicity, certain details may have been omitted from this annex which are relevant for understanding its subject matter. Please always read the full participation terms. No legal rights can be derived from this annex; in case of discrepancy between the participation terms and/or the articles of association on the one hand and this annex on the other hand, the provisions of the participation terms and/or the articles of association, as the case may be, will prevail.*

### **1.1 What is the price of a participation denominated in euros ('euro participation')?**

The price at which you can buy a euro participation from Oikocredit ('issue price') or sell it back to Oikocredit ('redemption price') is the 'net asset value (NAV) per euro participation'. Regardless of this value, EUR 200 is the maximum price of a participation, which we call the 'nominal value' and which is a fixed number that follows from Oikocredit's articles of association. This means that if the net asset value per euro participation is higher than EUR 200 – for example, EUR 210 – you will be able to request issuance and redemption at EUR 200, not EUR 210.

Conversely, if the net asset value per euro participation is lower than EUR 200 – for example, EUR 195 – you will be able to request issuance and redemption at EUR 195 (as long as Oikocredit has not paused the issuance and redemption of participations).

### **1.2 What is the price of non-euro participations?**

For participations which are denominated in currencies other than euros, the issue/redemption price of the non-euro participations follows the same mechanism as that of the euro participations. The price at which you can buy a participation from Oikocredit in Canadian dollars, Swiss francs, British pounds, Swedish krona, or US dollars or sell it back to Oikocredit is 'the net asset value per participation' in the respective currency up to the nominal value CAD 200, CHF 250, GBP 150, SEK 2000 and USD 200 respectively. As with the euro participations, this means that if the net asset value is higher than the nominal value – for example, CAD 210, CHF 262, GBP 162, SEK 2100 – you will be able to request issuance and redemption at CAD 200, CHF 250, GBP 150, SEK 2000 and USD 200, not at the higher net asset value.

Conversely, if the net asset value per participation in the respective currency is lower than the nominal value – for example, CAD 195, CHF 244, GBP 146, SEK 1950, USD 195 – you will be able to request issuance at redemption at CAD 195, CHF 244, GBP 146, SEK 1950, USD 195.

This all applies as long as Oikocredit has not paused the issuance and redemption of participations or otherwise determined that participations cannot be transferred. The net asset values of the participations in all currencies are at all times above or potentially below the respective nominal values by the same percentage. In other words, they are equally positioned in their distance from their respective nominal value at any moment. For example, if the nominal asset value per euro participation (nominal value: EUR 200) is



EUR 160, the nominal asset value per Swiss francs participation (nominal value: CHF 250) is CHF 200, meaning the net asset value of both is 80% of their respective nominal values.

### 1.3 How does Oikocredit calculate the net asset value per participation?

**Step 1.** The first step is to determine the 'total investor amount'. To do this, we take the number of participations outstanding in each currency. For example:

	EUR	CHF	USD	GBP	CAD	SEK
<b># participations outstanding</b>	5,152,281	276,104	79,940	57,340	16,276	43,689

We know the nominal value of the participations in each currency because it is pre-defined in the articles of association and the participation terms. We also know what the foreign currency exchange rate is of the CHF, USD, GBP, CAD and SEK against the euro. We obtain the exchange rates from a provider of financial services information (Bloomberg) on the last calendar day of each month. Below, we added some sample exchange rates in the last row:

	EUR	CHF	USD	GBP	CAD	SEK
<b># participations outstanding</b>	5,152,281	276,104	79,940	57,340	16,276	43,689
<b>Nominal value</b>	200	250	200	150	200	2,000
<b>Exchange rate foreign currency to € on last calendar day of month</b>	1	1.06	0.95	0.84	1.45	10.51

For each currency, we *multiply* the number of participations outstanding by the nominal value and the exchange rate to obtain the investor amount expressed in euros for the participations in each currency bucket. In our example:

	EUR	CHF	USD	GBP	CAD	SEK
<b># participations outstanding</b>	5,152,281	276,104	79,940	57,340	16,276	43,689
<b>Nominal value</b>	200	250	200	150	200	2,000
<b>Exchange rate with € on last date of month</b>	1	1.06	0.95	0.84	1.45	10.51
<b>Investor amount in €</b>	1,030,456,200	65,118,868	16,829,474	10,239,286	2,244,966	8,313,796

Finally, the 'total investor amount' is the *sum* of the investor amounts in each currency bucket:

	EUR	CHF	USD	GBP	CAD	SEK	
<b>Investor amount in €</b>	1,030,456,200	65,118,868	16,829,474	10,239,286	2,244,966	8,313,796	
<b>Total investor amount in €</b>							<b>1,133,202,589</b>

**Step 2.** The second step is to determine the net asset value (NAV) of Oikocredit. This is the total assets amount *minus* the non-equity liabilities amount. We establish this from Oikocredit's balance sheet as at the last calendar day of each month. Oikocredit may decide to have the balance sheet go through a process of independent assurance, including having it audited, in order to determine the NAV. For example on 31 December 2021, Oikocredit's balance sheet showed that the total assets were € 1,232,179,000. On the right side of the balance sheet are all the liabilities. The member capital and reserves are the 'equity liabilities' and all other categories are the 'non-equity liabilities'. Using Oikocredit's balance sheet of 31 December 2021, the non-equity liabilities were provisions (€ 216,000), non-current liabilities (€ 3,031,000) and current liabilities (€ 27,132,000) which add up to € 30,379,000.

As a result, the net asset value of Oikocredit on the date of the sample calculation is:

<b>Total assets</b>	1,232,179,000
<b>Non-equity liabilities</b>	- 30,379,000
<b>Net asset value</b>	<b>1,201,800,000</b>

**Step 3.** In step 3, we determine the 'net asset value (NAV) quotient'. The quotient is obtained by *dividing* the net asset value (from step 2) by the total investor amount (from step 1). The NAV quotient will tell us how many cents are available for each euro in the 'total investor amount'. If the quotient is higher than 1, it follows that the net asset value per participation is above the nominal value. If that is the case, issuance and redemption will take place at nominal value.

In our example the NAV quotient would be:

<b>Net asset value</b>	1,201,800,000
<b>Total investor amount</b>	1,133,202,589
<b>NAV quotient</b>	<b>1.06</b>

**Step 4.** Finally, in step 4, we determine the exact net asset value of the euro participation and the participations issued in other currencies. The net asset value per participation equals the NAV quotient multiplied by the respective nominal value of the participation.

	EUR	CHF	USD	GBP	CAD	SEK
<b>Nominal value</b>	200	250	200	150	200	2,000
<b>NAV quotient</b>	1.06					
<b>NAV per participation</b>	<b>212</b>	<b>265</b>	<b>212</b>	<b>159</b>	<b>212</b>	<b>2,120</b>

In the above example, the NAV quotient is above 1 and therefore the net asset value per participation is above nominal value, and issuance and redemption take place at nominal value.

### Examples

Swedish investor Jansson submitted an issue request for SEK 10,000. The net asset value of the Swedish krona participation was determined at SEK 2,120 and therefore the issue price was determined at SEK 2,000 per participation (the nominal value). Following Oikocredit's positive decision on the issuance and redemption of participations, investor Jansson will receive 5 participations.

Swiss investor Klug submitted a redemption request for her full investment of 17.4 participations. The net asset value of the Swiss franc participation was determined to be CHF 265, hence the redemption price was determined at CHF 250 per participation (the nominal value). Following Oikocredit's positive decision on the issuance and redemption of participations, Oikocredit will pay CHF 4350 to investor Klug, assuming no taxes must be withheld. Investor Klug's investment in Oikocredit will be fully redeemed.

French investor Molet submitted a redemption request for EUR 750. This investor holds 21.3 participations. The net asset value of the euro participation was determined at EUR 212, and hence the redemption price was determined at EUR 200 per participation (the nominal value). Following Oikocredit's positive decision on the issuance and redemption of participations, Oikocredit will pay EUR 750 to investor Molet, assuming no taxes must be withheld. His investment will be reduced by 3.75 participations and will be 17.55 participations.

#### 1.4 Under what circumstances will net asset value per participation be lower than the nominal value?

This would occur when the total investor amount is higher than the net asset value of Oikocredit. To illustrate: in the above example, assume that the total investor amount from step 1 is the same (EUR 1,133,202,589) but in step 2, the non-equity obligations are EUR 230,379,000, resulting in a net asset value of Oikocredit that is EUR 200,000,000 lower.

<b>Total assets</b>	1,232,179,000
<b>Non-equity liabilities</b>	230,379,000
<b>Net asset value</b>	1,001,800,000

Since the net asset value of Oikocredit is lower than the total investor amount, the NAV quotient (which is the net asset value *divided* by the total investor amount) will be below 1:

<b>Net asset value</b>	1,001,800,000
<b>Total investor amount</b>	1,133,202,589
<b>NAV quotient</b>	<b>0.88</b>

There are only 88 cents available to cover every euro in the total investor amount. The net asset value of the euro participation and of the participations in the other currencies respectively will be still determined by *multiplying* the NAV quotient by the respective nominal values:

	EUR	CHF	USD	GBP	CAD	SEK
<b>Nominal value</b>	200	250	200	150	200	2,000
<b>NAV quotient</b>	0.88					
<b>NAV participation per</b>	176	220	176	132	176	1,760

The issuance and redemption price of the euro participation and the participations in the other currencies is therefore the net asset value per participation, because the value is below the nominal values.

### Examples

Swedish investor Jansson submitted an issue request of SEK 10,000. The net asset value of the Swedish krona participation was determined at SEK 1,760, hence the issue price was determined at SEK 1,760 per participation. Following Oikocredit's positive decision on the issuance and redemption of participations, investor Jansson will receive 5.68 participations.

Swiss investor Klug submitted a redemption request for her full investment of 17.4 participations. The net asset value of the Swiss franc participation was determined to be CHF 220, hence the redemption price was determined at CHF 220 per participation. Following Oikocredit's positive decision on the issuance and redemption of participations, Oikocredit will pay investor Klug CHF 3,828, assuming no taxes must be withheld. Investor Klug's investment in Oikocredit will be fully redeemed.

French investor Molet submitted a redemption request for EUR 750. This investor holds 21.3 participations. The net asset value of the euro participation was determined at EUR 176, and hence the redemption price was determined at EUR 176 per participation. Following Oikocredit's positive decision on the issuance and redemption of participations, Oikocredit will pay EUR 750 to investor Molet, assuming no taxes must be withheld. His position will be reduced by 4.26 participations and will be 17.04 participations.

*This annex is intended to convey the key points about the process of issuance and redemption of participations. Please note that, for the sake of clarity and simplicity, certain details may have been omitted from this annex which are relevant for understanding its subject matter. Please always read the full participation terms. No legal rights can be derived from this annex; in case of discrepancy between the participation terms and/or the articles of association on the one hand and this annex on the other hand, the provisions of the participation terms and/or the articles of association, as the case may be, will prevail.*

### **Requesting the issuance of participations**

If you want to invest in participations, you have to take certain steps which are followed by steps that Oikocredit needs to take. Both are described below.

Any issuance of participations requested by you may only take place if Oikocredit has not paused the issuance and redemption of participations. Oikocredit decides whether to honour issue and redemption requests on a monthly basis and, following a positive decision, processes issue and redemption requests on a monthly basis.

- **Step 1: You complete a subscription form**

If you want to invest in participations for the first time, you should send a fully completed subscription form and supporting documentation (as indicated in the instructions on the form) to [oi.support@oikocredit.org](mailto:oi.support@oikocredit.org). If you have invested before and want to purchase additional participations, you can do so via our online portal MyOikocredit or by any other means that we offer to request to purchase additional participations.

- **Step 2: Oikocredit conducts a customer due diligence check**

After we receive a subscription form, we conduct an assessment on whether the person or organisation seeking to invest meets the criteria to be eligible to hold participations. In that context, we assess whether the person or organisation complies with so-called customer due diligence requirements. The purpose of this check is to prevent Oikocredit from being used to facilitate criminal activity, such as terrorist financing or money laundering. Oikocredit will inform you, if you meet the requirements to qualify as an eligible holder.

- **Step 3: You transfer the amount to Oikocredit's bank account**

Once you've received confirmation of the subscription request, you can transfer the purchase amount for the participations to the dedicated bank account indicated by Oikocredit. If you transfer the amount before the end of a calendar month, the participations will be issued with an effective date of the first day of the following calendar month. If we receive the amount after the end of the calendar month, the issue request will be considered in the next calendar month (and issued with an effective date one month later). All issue requests made in the same calendar month are treated as having been made on the last day of that month, meaning issuance requests are processed in monthly batches. For

example, an issue request completed on 18 June is treated in the same way as a request made on 30 June. We will confirm the receipt in our bank account of the amount you have invested.

- **Step 4: Oikocredit decides on the issuance and informs investors**

On the fifth business day of the month following the Batch Month Oikocredit's Managing Board announces its decision whether to honour issue requests. In reaching its decision, the Managing Board will always take into account Oikocredit's liquidity and solvency, in addition to any other factors that it may deem relevant. For example, Oikocredit may decide to have the balance sheet go through a process of independent assurance, including having it audited, in order to determine the Net Asset Value (which is described in Annex 1). If the decision is positive, on the sixth business day of the month following the Batch Month, we will issue the participations to investors with an effective date of the first calendar day of that month. If the decision is negative, the amounts corresponding to rejected issue requests will be refunded via the payment method used for the payment of the subscriptions. No interest will be paid on amounts being returned. We will inform you of the number of participations registered to your name. You may request a statement of your account at any time.

### **Requesting the redemptions of participations**

To have your participations redeemed, you have to take certain steps which are followed by steps that Oikocredit needs to take. These are described below.

Any redemption of participations requested by you may only take place if Oikocredit has not paused the issuance and redemption of participations. Oikocredit assesses whether to honour issue and redemption requests on a monthly basis and, following a positive assessment, processes issue and redemption requests on a monthly basis.

- **Step 1: You complete a redemption form**

You may request a redemption by sending the fully completed redemption form to Oikocredit. You can submit a request for redemption of participations at any time. All redemption requests made in the same calendar month are treated as having been made on the last day of that month ('Batch Month'). For example, a redemption request made on 18 June is treated in the same way as a request made on 30 June.

- **Step 2: Oikocredit makes a redemption decision**

On the fifth business day of the month following the Batch Month, the Managing Board announces its decision whether or not to honour redemption requests. The decision applies to all redemption requests made in the same calendar month. Oikocredit's Managing Board shall take into account the most recent internal monthly liquidity & solvency report and the recommendation of the meeting of Oikocredit's relevant in-house specialists in addition to any other factors that it may deem relevant.

- **Step 3: Oikocredit makes the redemption payment**

If the decision is positive, Oikocredit will redeem your participations via the payment method last indicated by you on the sixth business day of the month following the Batch Month. The participations that were redeemed to you cease to be invested (and eligible for any dividend) with economic effect from the first calendar day of the month following the relevant monthly redemption cycle. We will inform you of the amount of participations registered to your name. You may request a statement of your account at any time.

## How would the assets be distributed if Oikocredit is dissolved?

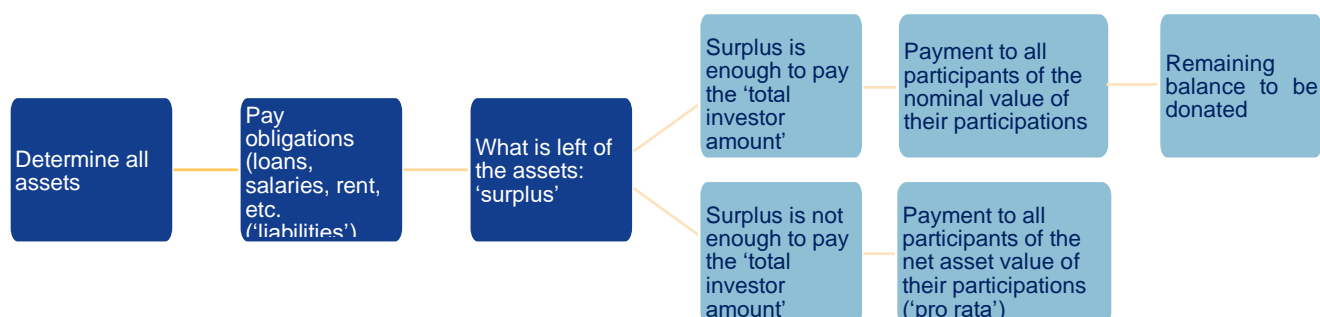
*This annex is intended to convey the key points about distribution of the assets if Oikocredit is dissolved. Please note that, for the sake of clarity and simplicity, certain details may have been omitted from this annex which are relevant for understanding its subject matter. Please always read the full participation terms and the articles of association. No legal rights can be derived from this annex; in case of discrepancy between the participation terms and/or the articles of association on the one hand and this annex on the other hand, the provisions of the participation terms and/or the articles of association, as the case may be, will prevail.*

As is the case for any legal entity, Oikocredit may in principle be dissolved and liquidated, for example at the decision of its members in the general meeting or if it is declared bankrupt. In that case, the Managing Board (or someone else if the members so determine) will be appointed as liquidators. How the assets of Oikocredit will be liquidated and distributed in these circumstances is regulated by the articles of association (art. 47.7), as well as the participation terms (art. 8.6). In this annex, we illustrate the provisions in simple terms.

### What steps are involved in the final liquidation and distribution of assets should Oikocredit be dissolved?

In the event of liquidation – which would involve the final distribution of Oikocredit’s assets – the first step would be to take stock of and value all the assets of Oikocredit. Any non-liquid assets would have to be made liquid (e.g. equipment would have to be sold). Oikocredit would also have to take stock of its liabilities (any loans from creditors, salaries or remuneration due to employees or consultants, office rent, etc.). These liabilities would need to be paid from the assets first. If (the proceeds from) the assets would be sufficient to cover full payment of all liabilities, there can be a remaining amount which is called the ‘surplus.’ There are two possibilities with respect to the surplus:

- (i) The surplus is enough to cover the entire ‘total investor amount’ (see Annex 1 for a definition): The result is that all participants would receive a distribution equal to the nominal value of the participations they hold. If there are any funds still available after all participants have been paid, these funds would be donated to a cause or organisation to be chosen by Oikocredit’s general meeting of the members.
- (ii) The surplus is not enough to cover the entire ‘total investor amount’. The result is that all participants would receive the net asset value per participation (‘distribution pro rata’).



### How would the net asset value per participation be determined in order to effect ‘distribution pro rata’?

This is substantially the same approach as for determining the net asset value per participation, as explained in Annex 1, section 4.