

Articles of Association

Unofficial English translation of the Italian author draft

HISTORICAL DRAFT — NOT FILED — SUBJECT TO REVIEW

This edition is the complete, unofficial English translation of the Italian author draft AN-ST-001. The source is an old working draft that will need to be reconsidered almost from scratch before new articles are defined. This is not the current notarised articles, an approved future revision, a legal opinion or a document for signature.

The clauses, legal assertions, corporate qualifications and internal references are translated faithfully as written, without substantive correction or validation. Reproducing them does not confirm their validity, enforceability, applicability or current status.

Relationship to the filed document

The relevant notarised document is the Italian articles annexed to the deed dated 2 March 2026, Rep. 9230/Racc. 7468. That is a separate text. This English edition translates the author draft, not the notarised articles. For filed facts, consult the filed Italian annex and any verified subsequent acts. Where this translation differs from its source draft, consult the Italian author draft; neither version replaces the filed Italian articles.

Translator's note: The source uses "inopponibile/inopponibilità" ambiguously in clauses about records and trade secrets. These are rendered literally as "non-opposable/non-opposability"; their intended effect has not been corrected or legally validated.

Contents of the Articles of Association

I. General Provisions	4
Art. 1 - Company Name	4
Art. 2 - Registered Office and Digital Address for Service	4
Art. 3 - Duration and Right of Withdrawal	4
II. The Company's Purpose	5
Art. 4 - Corporate Purpose	5
4.1 Introduction to the Corporate Purpose and SIAVS Status	5
4.2 Branch: <i>ColivingLiguria Business</i>	5
4.3 Branch: <i>ColivingLiguria Living</i>	5
4.4 Branch: <i>Luna</i>	6
4.5 Marginal, Accessory and Instrumental Activities	7
4.6 Liquidity Contributions through Professional and Teaching Services	7
III. Share Capital and Financial Structure	9
Art. 5 - SIAVS Status, Share Capital and Categories of Quotas	9
5.1 Declaration of the Requirements for an Innovative Startup with a Social Vocation	9
5.2 Prohibition on the Distribution of Profits	9
5.3 Derogations from Company Law and Capital Structure (Art. 26 D.L. 179/2012)	9
5.3.1 Classification by Voting Rights (Classes A, B, C)	9
5.3.2 Classification by Business Branch (Tracking Shares)	10
5.4 Additional Prerogatives Arising from SIAVS Status	10
Art. 6 - Capital Structure and Operating Regimes	10
6.1 Participation in Losses and Prohibition of a Leonine Pact	10
6.2 Distribution of Dividends and Branch Reserves	11
6.3 Indivisibility of Quotas and Common Representation	11
6.4 Capital Increase Regime	11
6.5 Pre-Emption Rights and Anti-Dilution Clauses	11
6.6 Management of Strategic Changes	12
Art. 7 - Participating Financial Instruments and Work for Equity	12
7.1 "Work for Equity" Incentive Plans (Art. 27 D.L. 179/2012)	12
7.2 Financial Instruments and Strategic Finance	12

Art. 8 - Member Financing and Group Treasury	12
8.1 Acquisition of Own Quotas and Financing of Their Acquisition	13
8.2 Management of Issue Premiums and Capital Contributions	13
8.3 Capital Management, Financial Markets and Liquidity Optimisation	13
8.4 Operations on Financial Markets and Derivative Instruments	13
8.5 Financing, Treasury and Financial Leverage	14
IV. Transfers of Quotas and Protection of the Membership Structure	15
Art. 9 - Transfers of Quotas and Protection of Control	15
9.1 Dynamic Conversion Mechanism and Digital Transfers	15
9.2 Asymmetric Right of First Refusal	15
9.3 Pure Approval Right	15
9.4 Security Interests and Seizures over Quotas	16
9.5 Succession on Death	16
Art. 10 - Exit Rights, Compulsory Purchase and Capital Transactions	16
10.1 Exit and Drag-Along Rights	16
10.2 Bad Leaver and Expulsion Clauses	17
10.3 Compulsory Purchase Right for Inactivity or Forced Withdrawal	17
10.4 Compulsory Purchase Right over Equity Interests	17
10.5 Compulsory Enforcement of Signature Obligations	17
Art. 11 - Deadlock Clause (Texas Shoot-out) and Lock-up	18
11.1 Transfer Restrictions (Lock-up)	18
11.2 Resolution of Decision-Making Deadlocks (Texas Shoot-out)	18
11.3 Monitoring of Transfers of Capital and Conditions of Validity	18
V. Governance, Administration and Control	19
Art. 12 - Members' Decisions and Remote Meetings	19
12.1 Digital Governance, Administration and Information Systems	19
12.2 Remote Meetings and Electronic Voting	19
Art. 13 - Administrative Body and Derogation from Conflict-of-Interest Rules	19
13.1 Sole Director and Absolute Management Powers	19
13.2 Permanent Authorisation to Contract with Oneself	19
13.3 Protection of Valuation and Safeguarding of Agreements	19
13.4 Protection of the Administrative Body and Advisory Board	20
13.5 Strategic Succession and Designation of a Successor by PEC	20
13.6 Extraordinary Transactions, M&A and Strategic B2B Agreements	20
13.7 Growth Strategy, M&A and Strategic Partnerships	20
13.8 Cross-Border Orientation and Transition to a European Corporate Regime	21

Art. 14 - Supervisory Body	21
Art. 15 - Internal Administration, PEC Protocol and SQL Databases	22
15.1 The Operating Rulebook (Operating Agreement) and Regulations by PEC	22
15.2 SQL Databases and Digital Registers as the Source of Truth	22
15.3 Architecture of the Business Branches and Management Autonomy	22
15.4 Asset Allocation Criteria and Primacy of the Internal Register	22
15.5 Autonomy and Responsibilities of the Business Branches	22
15.6 Decision-Making Powers and "Master Operating Protocol"	23
15.7 Transfers of Assets and Capital without Consideration Requirements	23
15.8 Notification Procedure and Validity of the Transfer	23
15.9 Voting Rights and Consent to Transfers	24
VI. Operational Ecosystem, IP and Welfare	25
Art. 16 - Intellectual Property and Copyright	25
16.1 Protection of Intangible Assets, Trade Secrets and Loyalty	25
16.2 Definition of Confidential Assets and Business Secrets	25
16.3 Contractual Valuation of Assets and Compensatory Penalties	25
16.4 Duties of Loyalty, Confidentiality and Non-Competition	25
16.5 Post-Exit Confidentiality and Return Obligations	26
16.6 Limitation of Inspection and Supervision Rights	26
16.7 Digital Sovereignty and Access to IT Systems	26
16.8 Remuneration through the Exploitation of Intellectual Property	26
Art. 17 - Relations with Collaborators and VAT-Registered Professionals	27
17.1 Collaboration Models, Personnel Management and Residential Welfare	27
17.2 Relations with Professionals and External Collaborators	27
17.3 Hierarchy, Work Rules and Individualised Contracts	28
Art. 18 - Housing Services, Strategic Welfare and Leases	28
18.1 Compensation through Housing Services and Welfare	28
18.2 Asset Strategy and Real-Estate Asset Management	29
18.3 Management, Enhancement and Operation of Third-Party Assets	29
18.4 Strategic Leasing and Variable Use Value	29
Art. 19 - Financial Year, Financial Statements and Distribution of Profits	29
Art. 20 - Dissolution, Liquidation and Contract Management	30
Art. 21 - Arbitration Clause	31
Art. 22 - Reference to Statutory Provisions	31

I. General Provisions

Art. 1 - Company Name

A limited liability company is hereby incorporated under the name:

“ColivingLiguria S.r.l.”

The company name may also be used in the abbreviated form “ColivingLiguria”. For as long as the Company meets the requirements laid down by the legislation in force, its name shall always be accompanied by the designation “**Innovative Startup with a Social Vocation**”, in accordance with Art. 25, paragraph 15, of D.L. 18 October 2012, no. 179, converted with amendments by L. 17 December 2012, no. 221.

Art. 2 - Registered Office and Digital Address for Service

The Company has its registered office in the Municipality of **Cairo Montenotte** (SV).

The Administrative Body shall have the power to transfer the registered office within the territory of the Italian State, and to establish, transfer or close secondary establishments, branches, branch offices, agencies and operational offices in Italy and abroad. ¹

For all their dealings with the Company, the members, directors and statutory auditors or external auditors (where appointed) shall be deemed validly and exclusively to have elected their address for service at the certified electronic mail (PEC) address that each has formally notified to the Company. This digital address shall constitute the exclusive and binding channel for notices of members’ meetings, the transmission of internal administrative documentation and all other official communications.

Art. 3 - Duration and Right of Withdrawal

The Company is established for an **indefinite term**.

In view of the Company’s indefinite duration, under Art. 2473, paragraph 2, c.c., each member shall have the right to withdraw freely from the Company at any time by giving at least **180 (one hundred and eighty) days**’ notice. The declaration of withdrawal shall be notified to the Administrative Body exclusively by certified electronic mail (PEC) bearing a digital signature, and the notice period shall run from the date on which the Company receives it.

¹**Regulatory Framework:** The transfer of the registered office within the national territory does not constitute an amendment to the Articles of Association and falls within the exclusive competence of the Administrative Body under Art. 2436, paragraph 2, c.c., ensuring the Company the necessary logistical agility.

II. The Company's Purpose

Art. 4 - Corporate Purpose

4.1. Introduction to the Corporate Purpose and SIAVS Status

For the purposes of registration in the relevant special section of the Companies Register (pursuant to Art. 25, paragraph 2, D.L. 179/2012), it is noted that the Company's principal activity consists of developing, producing and marketing innovative products or services of high technological value.²

As instrumental, ancillary activities serving the testing, physical implementation and full deployment of the aforesaid proprietary technologies—which operate as enabling infrastructure—the Company organises its operations into specific **Business Branches**, encompassing the following activities:

4.2. Branch: *ColivingLiguria Business*

- I. The Company's principal corporate purpose is to develop, produce and market innovative products or services of high technological value and, more specifically, to conceive, develop algorithms for, and implement innovative organisational models, digital platforms (SaaS), software and integrated hardware-software solutions (deep-tech and Internet of Things), applied primarily, but not exclusively, to Property Technology (PropTech), Financial Technology (FinTech), the ecological transition and territorial regeneration.
- II. The study, design, implementation and marketing of innovative software, management platforms and advanced financial algorithms for the optimisation and remote management of housing, coworking and executive coliving formats, with a particular focus on rural and marginal areas.
- III. The design, deep-tech development, prototyping and experimental production of electronic equipment, IoT (Internet of Things) hardware and advanced sensors for lighting, spatial interaction, advanced home automation and precision video surveillance in indoor and outdoor environments.
- IV. The provision of integrated services with a high technological content to businesses, including startup incubation and acceleration services, data processing, systems support and strategic digital marketing agency activities. Also included are financial services, capital management services and assistance in obtaining coordinated or independent access to public resources.
- V. The development, provision and management, on its own behalf or for third parties, of digital marketing infrastructure (MarTech), including automated Social Media Management systems and advanced UX/UI Website Design, as well as the provision of strategic marketing services based on data analysis and complex digital positioning.
- VI. The enhancement and income-generating use of property complexes owned by the Company or third parties through B2B business models, arranging, for the purpose of implementing the Company's proprietary technologies, the planning of renovation, energy-efficiency, regulatory compliance and construction development works, coordinating the integration of home automation systems and smart housing solutions (Smart Building).

4.3. Branch: *ColivingLiguria Living*

On a subordinate and non-principal basis, and with a view to the future consolidation of local operational activities and the integration of real estate assets or business branches already established by the Founder, the Company may carry out the following activities:

²**Regulatory Justification:** Art. 25, paragraph 2, letter f), D.L. 179/2012. The corporate purpose has been drafted to make the Company's technological nature clear, assigning real estate and accommodation activities an "instrumental" and "laboratory" role for testing the technologies, thereby avoiding reclassification as a mere real estate company, which is excluded from the incentives (see Circolare MiSE no. 3677/C of 2015).

- I. The acquisition, operation and management (whether through ownership, lease, sublease or gratuitous loan for use) of property complexes owned by the Company or third parties, dedicating them to coliving and coworking spaces and “applied laboratories” (test-beds) for testing the Company’s proprietary technologies;
- II. The creation of an integrated hospitality ecosystem intended to provide housing and professional facilities at preferential rates to employees, collaborators, consultants and researchers engaged in developing the *ColivingLiguria Business* and *Luna* branches, serving as essential logistical infrastructure for attracting and retaining talent locally;
- III. The conclusion of arrangements, partnerships and cooperation agreements with universities, research centres, technical institutes and international exchange programmes, intended to host students on *internships* or training placements who can contribute actively to the Company’s research and development activities;
- IV. The provision of hotel and non-hotel accommodation services, the operation of guest rooms, agritourism and fishing tourism, using innovative management models aimed at digitalising the guest experience;
- V. The pursuit of agricultural activities under Art. 2135 c.c., including horticulture and livestock farming, implementing AgTech techniques for the serving of food and beverages and the promotion of the format’s food sustainability. *It is specified that, as of the date of this instrument, the activities referred to in this item and the preceding item have not yet commenced, and their operation is subject to obtaining the authorisations and licences required by law;*
- VI. The planning and management (directly or through contracting) of building works, renovation, regulatory compliance and construction development, acting as general contractor or technical coordinator, in order to prepare the properties for the integration of the home automation systems and structural innovations that form the Company’s principal activity.

4.4. Branch: *Luna*

This Business Branch constitutes the Company’s principal research asset. It is specified that, as of today, activity is focused exclusively on scientific research, experimental development, technical design and the establishment of prototyping laboratories in the premises available to the Company. Industrial production, marketing and operational support are intended as potential activities, the commencement of which is subject to completion of the testing cycles and validation of the prototypes.

- I. The research, design and experimental development of illuminating aerostatic devices for diffuse lighting of large areas, civil construction sites, industrial sites and events;
- II. The study and implementation of thermal management systems for high-power LED modules, based on the thermal conductivity of noble gases and electronically controlled active cooling systems;
- III. The establishment and management of equipped technology laboratories for rapid prototyping, testing of proprietary hardware and integration of advanced sensors (including pressure and temperature sensors and inclinometers) with predictive diagnostic algorithms;
- IV. The development of data communication and telemetry systems (via cable and radio waves) between the aerostatic unit and ground stations, including the modelling of automatic safety protocols;
- V. The study and construction of intelligent anchoring infrastructure and stabilised power supply systems for operation in adverse weather conditions;
- VI. Following consolidation of the prototypes, the provision of rental, technical assistance and operational management services for the aforesaid systems (Lighting-as-a-Service), as well as their production and sale.

4.5. Marginal, Accessory and Instrumental Activities

Solely for the achievement of its corporate purpose and on a non-principal basis, the Company may undertake all commercial, industrial, movable-property and real-estate transactions that the Administrative Body considers necessary or useful. In particular, the following instrumental activities are included:

- I. Financial planning, legal research and administrative and strategic consultancy necessary to obtain licences and authorisations and ensure the regulatory compliance of the innovative business models proposed by the *ColivingLiguria Business*, *ColivingLiguria Living* and *ColivingLiguria Luna* branches;
- II. The management of marketing, communication and branding activities, as well as the study of commercial positioning and market research, aimed at validating the Company's technological products and services;
- III. The execution, coordination and management of building, installation, restoration and extraordinary maintenance works on properties owned or managed by the Company, aimed exclusively at making those assets suitable for the coliving, coworking, technology laboratory and hospitality activities described in the preceding branches;
- IV. The acquisition of interests and equity investments in other companies, consortia or business networks with a similar, related or connected purpose, and the provision of sureties and security over assets or personal guarantees for third parties, with the express exclusion of lending to the public and taking deposits or other repayable funds from the public;
- V. The conclusion of network agreements, joint ventures and strategic partnerships with Third Sector Entities (ETS), associations (including ASD and SSD), foundations and public administrations, including by granting the use of Company premises and land for civic, solidarity or sporting purposes, within *Corporate Social Responsibility* and territorial regeneration programmes.
- VI. On an entirely **residual and marginal** basis, the Company may deploy cash reserves recorded on its balance sheet through the purchase and sale of financial instruments on national and international markets (by way of example: equities, bonds, funds, ETFs, currencies and digital assets), solely to optimise treasury management and avoid the unproductive immobilisation of Company cash.
 - This activity is strictly ancillary and non-principal in relation to the principal corporate purpose. It is intended, among other things, to generate deductible operating costs (brokerage fees, data platform subscriptions and supporting IT services) serving to demonstrate the Company's actual operations and prevent its classification as a "non-operating company" under Art. 30 of L. 724/1994.³
 - The activity may be pursued through both passive medium- to long-term investments and algorithmic and quantitative trading strategies, using the computational infrastructure developed by the *Luna* Branch.
 - Financial intermediation activities involving the public and the taking of deposits or other repayable funds from the public remain strictly excluded.

4.6. Liquidity Contributions through Professional and Teaching Services

In order to ensure the ongoing funding of the Business Branches and the self-financing of technological and real estate investments, the Company may carry out the following activities, understood as instrumental to introducing financial flows into Company assets:

- I. **Strategic and Management Consultancy Services:** The provision of legal, financial, corporate, administrative and business management consultancy services to third parties. The

³See Legge 23 December 1994, no. 724, Art. 30, and Provvedimento Agenzia Entrate no. 87956/2012 concerning operating-company status.

Company may accept assignments to perform operational management, technical management or external officer roles at other companies, directly invoicing the corresponding fees.

- II. **Teaching and Training Activities:** The organisation and provision of teaching, tutoring and specialist educational services. These services may be provided to individuals and to public or private entities, in the form of lessons, seminars or vocational training courses.
- III. **Skills Intermediation (Staff Augmentation):** Making the technical expertise of the Company's members or collaborators available for the execution of projects at third parties, acting as the contractual vehicle for the provision of *project management*, software development or specialist consultancy services.
- IV. **Reinvestment Purpose:** Proceeds from the aforesaid professional activities shall be allocated primarily to financing the research activities of the *Luna Branch*, maintaining the *ColivingLiguria Living Branch* or developing the *ColivingLiguria Business Branch*, optimising the tax treatment of incoming flows as business revenues.
- V. **Academic Research and External Scientific Contracting:** The Company may undertake research assignments, industrial scholarships and advanced training positions (*PhD, Post-Doc, Research Fellowships*) under service contracts or external consultancy arrangements (*B2B Research Contracting*) at universities, public bodies and research centres, both in Italy and abroad without geographical limits, invoicing the corresponding consideration as an Italian S.r.l. rather than in the personal capacity of the Director or members.
 - **Replacement of the Employment Relationship:** Departing from individual employment models, the Company offers itself as an institutional provider of specialist expertise in Mathematical Logic, *Theoretical Computer Science*, Abstract Mathematics and Analytic Philosophy. This allows the Director or members to perform high-level research activities while the Company directly receives the corresponding economic entitlements as consideration for scientific services.
 - **Global Nature of the Consultancy:** This activity may be carried out without geographical limits, allowing the Company to act as the sole contractual vehicle for managing research funds (*Grants*), public funding or established research positions, maximising tax efficiency by offsetting academic revenues against the operating and investment costs of the Business Branches.
 - **Intellectual Capitalisation Purpose:** The members acknowledge that such proceeds are instrumental to strengthening the *Luna Branch*, with each external academic assignment constituting an activity through which the Company itself acquires *Know-How*.

III. Share Capital and Financial Structure

Art. 5 - SIAVS Status, Share Capital and Categories of Quotas

5.1. Declaration of the Requirements for an Innovative Startup with a Social Vocation

Under Art. 25, paragraph 2, of D.L. 18 October 2012, no. 179, the Company expressly declares that it meets, and intends to maintain, the requirements necessary for the status of **Innovative Startup with a Social Vocation**, satisfying the following technological and innovation criteria:

- I. **Initial Requirement (Research and Development Expenditure):** During the first financial year, and primarily for the startup phase of the *Luna* Branch, the Company undertakes to incur research and development expenditure equal to or greater than 15% of the higher of the cost and the total value of production of the Innovative Startup with a Social Vocation (Art. 25, paragraph 2, letter h, number 1).
- II. **Ongoing Requirement (Highly Qualified Personnel):** From the second financial year onwards, the Company shall satisfy the requirements of Art. 25, paragraph 2, letter h, number 2, by employing the Founder as highly qualified labour representing more than two thirds of the total workforce, as he holds a master's degree in logical-computational subjects (*Logic*) awarded by the University of Amsterdam.
- III. **Exclusive Corporate Purpose:** As outlined in Art. 4 of these Articles of Association, and particularly in relation to the activities of the *Luna* Branch, the exclusive or principal corporate purpose is the development, production and marketing of innovative products or services of high technological value.⁴

5.2. Prohibition on the Distribution of Profits

In accordance with Art. 25, paragraph 2, letter e), of D.L. 18 October 2012, no. 179, the following is established:

- I. **Mandatory Reinvestment:** For as long as the Company maintains Innovative Startup status, the net profits shown in the financial statements shall under no circumstances be distributed to members. They shall be fully reinvested in the business, in technological development or allocated to a dedicated reserve.
- II. **Expiry of the Restriction:** This prohibition shall automatically cease to have effect, without the need for any further resolution or amendment to the Articles of Association, once the maximum statutory period for remaining within the special Innovative Startup regime has elapsed, or in the event of voluntary removal from the Special Section of the Companies Register.

5.3. Derogations from Company Law and Capital Structure (Art. 26 D.L. 179/2012)

By virtue of its registration in the Special Section, the Company expressly avails itself of the derogations from company law provided for in Art. 26 of D.L. 179/2012. Accordingly, by derogation from Art. 2468, paragraphs 2 and 3, c.c., the share capital is standardised into “Quotas” that may carry different rights and be offered to the public.

5.3.1. Classification by Voting Rights (Classes A, B, C)

At incorporation, the entire capital is allocated to Class A Quotas. Subsequently, the Company may issue:

⁴**Regulatory Justification:** The clear statement of the requirements under Art. 25, paragraph 2, D.L. 179/2012 constitutes a formal and substantive prerequisite for registration in the Special Section of the Companies Register and for the consequent disapplication of the ordinary mandatory rules governing S.r.l. companies.

- I. **Class A: Multiple Voting Rights.** These confer 3 (three) votes for each euro of nominal capital.
- II. **Class B: Ordinary Voting Rights.** These confer 1 (one) vote for each euro of nominal capital.
- III. **Class C: Non-Voting.** Quotas without voting rights but with full economic rights. Intended for financial investors or public offerings (*Equity Crowdfunding*).

5.3.2. Classification by Business Branch (Tracking Shares)

The Company may issue, or convert existing quotas into, “Tracking Shares” linked to the economic performance, assets and liabilities, and financial performance of the individual Business Branches defined in Art. 4.

- I. **Economic Linkage to the Branch:** Tracking Shares may be issued in respect of each operating branch (*ColivingLiguria Business*, *ColivingLiguria Living* and *Luna*). Holders of such quotas participate in profits, losses and liquidation value exclusively in proportion to the results and assets of their relevant branch.
- II. **Allocation of Assets, Real Estate and Turnover:** No restriction applies: each Business Branch may hold physical assets (including real estate), digital assets or intellectual property, and generate its own turnover. Each invoice, cost or asset is allocated to a single branch or apportioned by percentage among several branches, as established and recorded in a non-opposable manner in the Company records (SQL Database) or in specific PDF documents digitally signed by the Administrative Body.
- III. **Accounting Autonomy:** The Administrative Body shall establish separate and independent cost centres for reporting on the individual branches, in order to determine precisely the distributable profits and the net asset value relating to each specific category of Tracking Shares.

5.4. Additional Prerogatives Arising from SIAVS Status

Also by virtue of the derogations set out in Art. 26 of D.L. 179/2012, the following additional powers are established:

- I. **Public Offerings and Crowdfunding:** By derogation from Art. 2468, paragraph 1, c.c., the Company’s quotas (particularly Class C Quotas and Tracking Shares) may be the subject of a public offering of financial products, including through authorised capital-raising portals (Equity Crowdfunding).
- II. **Facilitated Loss Management:** In the event of losses reducing the share capital by more than one third (Art. 2482-bis c.c.) or below the statutory minimum (Art. 2482-ter c.c.), the deadline by which the loss must have been reduced to less than one third is deferred to the second following financial year, ensuring financial flexibility during periods of maximum Research and Development expenditure.⁵

Art. 6 - Capital Structure and Operating Regimes

6.1. Participation in Losses and Prohibition of a Leonine Pact

To ensure the validity of special categories (Tracking Shares) and their compliance with the principles of corporate public policy, the following is specified:

- I. **General Liability:** Despite the linkage of economic rights to individual Business Branches, all members participate in the general business risk. In the event of losses reducing the share

⁵**Regulatory Framework:** The inclusion in the Articles of Association of the provisions of Art. 26 (derogations concerning categories of quotas, public offerings and the loss moratorium) fixes the scope of the Administrative Body’s powers. It is recalled that any *Work for Equity* plans and derogations from the acquisition of own quotas under Art. 2474 c.c. are likewise powers arising from the same legislative framework and governed by the following articles of these Articles of Association.

capital beyond the statutory threshold, those losses shall be borne by all categories of quotas in proportion to their nominal value, irrespective of the relevant branch.

- II. **Compliance with Art. 2265 c.c.:** No clause of these Articles of Association shall be interpreted as totally excluding any member from participation in the Company's overall losses or profits. The linkage to branches (Tracking Shares) affects exclusively the priority and amount of the distribution of dividends and the liquidation surplus, without prejudice to the obligation to cover systemic losses.

6.2. Distribution of Dividends and Branch Reserves

The management and allocation of Company profits shall be governed as follows:

- I. **Branch Priority:** Profits generated by a specific Business Branch shall be allocated primarily to the holders of the relevant Tracking Shares, after covering the Company's prior losses and making the allocation to the legal reserve.
- II. **Available Reserves:** Reserves formed from the undistributed profits of a particular branch shall remain "tagged" to that branch in the accounts. However, the Founder shall have the power to resolve to use those reserves for extraordinary investments in other branches (e.g. using profits of the *Luna* Branch to purchase properties for the *ColivingLiguria Living* Branch), treating such transactions as interest-bearing inter-branch loans.

6.3. Indivisibility of Quotas and Common Representation

To ensure the promptness of Company decisions, joint ownership of equity interests shall be governed as follows:

- I. **Indivisibility:** Equity interests in the Company are indivisible. Where a quota is jointly owned (e.g. following succession or joint purchase), the co-owners' rights shall be exercised by a single common representative appointed under Art. 2468, paragraph 5, c.c.
- II. **Failure to Appoint and Compulsory Purchase Right:** If the co-owners fail to appoint the common representative within 30 (thirty) days of the opening of the succession or the instrument that created the joint ownership, the exercise of membership rights shall be suspended. In that event, the Founding Member shall have the right to compulsorily purchase the entire jointly owned equity interest.
- III. **Determination of the Compulsory Purchase Price:** The price for the compulsory purchase referred to in the preceding item shall equal the pro rata book net asset value shown in the latest duly approved financial statements, expressly excluding goodwill and any other forward-looking valuation. Payment shall extinguish all claims of the co-owners against the Company.⁶

6.4. Capital Increase Regime

With regard to extraordinary capital transactions, it is established that:

- I. **Partial Subscription of the Increase:** Unless otherwise resolved, every increase in share capital shall be deemed capable of taking effect even if only partially subscribed. Accordingly, the capital shall be increased by an amount equal to the subscriptions received by the deadline, even where these are below the maximum amount resolved.⁷

6.5. Pre-Emption Rights and Anti-Dilution Clauses

To protect financial flexibility and the Founder's control:

- I. **Exclusion of Pre-Emption Rights:** The Members' Meeting, with the Founder's favourable vote, may resolve to increase the capital while excluding the pre-emption rights of minority members where the Company's interests so require (e.g. the entry of strategic investors or Work for Equity plans).

⁶See Art. 2473-bis c.c., supplemented by the interpretative principles concerning indivisible equity interests under Art. 2468 c.c.

⁷See Art. 2481-bis, paragraph 3, c.c.

- II. **Founder Protection (Anti-dilution):** In the event of future capital increases at a price per quota lower than that paid by the Founder (down-round), the Company undertakes to issue new quotas to the Founder, through a bonus allocation charged to reserves (under Art. 2481-ter c.c.) or an issue at nominal value, in order to maintain his percentage interest or voting power unchanged, under the “Full Ratchet” mechanism.

6.6. Management of Strategic Changes

- I. **Branch-Specific Withdrawal for Tracking Shares:** If the Company resolves to close or liquidate a specific Business Branch (Art. 4), holders of the relevant linked quotas shall have the right to withdraw from the Company. However, the liquidation value of the quota shall be determined exclusively on the basis of the assets and liabilities of the discontinued branch, with the Company expressly released from using assets or reserves belonging to other business branches to reimburse those quotas.⁸

Art. 7 - Participating Financial Instruments and Work for Equity

7.1. “Work for Equity” Incentive Plans (Art. 27 D.L. 179/2012)

In order to attract talent and highly specialised expertise without reducing Company liquidity, the Company adopts the following incentive instrument:

- I. **Express Authorisation:** The Company is expressly authorised to implement *Work for Equity* plans under Art. 27 of D.L. 18 October 2012, no. 179. For this purpose, the Sole Director shall have the power to enter into agreements to remunerate employees, collaborators, directors or service providers by allocating Company quotas (Class B, Class C or *Tracking Shares*) or Participating Financial Instruments.
- II. **Tax and Social Security Exemption:** Under the aforesaid legislation, allocations of quotas or financial instruments in consideration for work or services shall not form part of the recipient’s taxable income (IRPEF) or social security contribution base (INPS), ensuring the maximum net efficiency of remuneration.
- III. **Vesting and Lock-up:** The allocation of quotas through *Work for Equity* may be subject to *vesting*, *cliff* and immediate revocation (*bad leaver*) clauses, under the terms established from time to time in individual contracts drawn up by the Director.⁹

7.2. Financial Instruments and Strategic Finance

To support the development of the Company and its Business Branches, the Company may use:

- I. **Issue of Participating Financial Instruments (SFP):** The Company may issue financial instruments carrying economic rights or also administrative rights (excluding voting at the general members’ meeting) in exchange for contributions by members or third parties of work, services, receivables or financing.
- II. **“Exotic” and Convertible Financing:** The Director may obtain financing with equity conversion clauses (Convertible Notes) or linked to the performance of specific business branches, allowing capital to enter the Business Branch without immediately diluting the Founder’s control.¹⁰

Art. 8 - Member Financing and Group Treasury

⁸See Art. 2473 c.c. and Art. 26 D.L. 179/2012 concerning categories of quotas for Innovative Startups.

⁹**Regulatory Framework:** The implementation of *Work for Equity* plans constitutes an explicit derogation from ordinary remuneration regimes, permitted exclusively by Art. 27 of D.L. 179/2012.

¹⁰See Art. 26, paragraph 7, D.L. 179/2012 concerning the issue of financial instruments carrying economic rights.

8.1. Acquisition of Own Quotas and Financing of Their Acquisition

By derogation from Art. 2474 c.c. and under Art. 26, paragraphs 5 and 6, D.L. 179/2012, the Company shall have maximum financial flexibility in relation to its own equity interests:

- I. **Transactions in Own Quotas (Buyback):** The Company is authorised to purchase, receive in pledge or hold its own quotas, within the limits of the distributable profits and available reserves shown in the latest duly approved financial statements. Such transactions may be aimed at cancelling the quotas, subsequently disposing of them to third parties or implementing incentive plans (Stock Options/Work for Equity).
- II. **Financial Assistance:** By decision of the Administrative Body, the Company may grant loans or provide guarantees (security over assets or personal guarantees) for the acquisition of its own equity interests by employees, collaborators or third-party strategic investors, where this is considered useful for pursuing the corporate purpose.¹¹
- III. **Rights Attached to Own Quotas:** For as long as the quotas belong to the Company, the right to profits and the pre-emption right shall be allocated proportionally to the other quotas; voting rights shall be suspended, but own quotas shall be included in the capital for calculating the interests required for the constitution of, and resolutions passed by, the members' meeting.

8.2. Management of Issue Premiums and Capital Contributions

- I. **Allocation of the Premium:** In a capital increase or transfer involving an issue, any premium paid by new members (Classes B, C or Tracking Shares) shall enter the Company's assets as an available reserve. The Founder shall have the unreviewable power to allocate such reserves to investments in any Business Branch, irrespective of the category of quotas that generated the premium.¹²
- II. **Non-Repayable Contributions:** The Founder may make "capital contributions" or "non-repayable contributions" without this conferring proportional rights on the other members or requiring the issue of new quotas. Such contributions shall rank behind Company creditors but ahead of repayment of minority members' capital in the event of liquidation.¹³

8.3. Capital Management, Financial Markets and Liquidity Optimisation

The Company adopts a treasury management model aimed at maximising the return on cash reserves through direct operations on international markets.

8.4. Operations on Financial Markets and Derivative Instruments

- I. **Global Investment Freedom:** The Company is authorised to deploy capital and reserves in any type of financial instrument, including, by way of example: equities, bonds, mutual funds, ETFs, currencies (*Forex*), digital assets and derivative instruments such as *Call/Put Options* and *Futures*.
- II. **Algorithmic and Quantitative Trading:** The activity may be carried out with the assistance of the IT, algorithmic and human infrastructure developed internally by the *Luna* Branch. Such transactions are considered an integral part of the business activity and intended to provide financial support for the Company structure.
- III. **Exclusive Decision-Making Authority:** The power to manage the securities portfolio, select intermediaries and determine risk profiles shall be reserved exclusively to the Founding Member or the Director appointed by him, ensuring speed of execution and confidentiality of strategies.¹⁴

¹¹ See Art. 26, D.L. 179/2012, which provides an express derogation from the prohibitions in Arts. 2474 and 2483 c.c. within the procedural limits established for S.p.A. companies by Arts. 2357 and 2358 c.c.

¹² See Art. 2481-bis c.c.

¹³ See Art. 2467 and Art. 2491 c.c.

¹⁴ See Art. 109 D.P.R. 917/1986 (TUIR) concerning the connection of costs to business activity.

8.5. Financing, Treasury and Financial Leverage

- I. **Member Contributions and Debt Management:** The Company may receive loans from members subject to repayment, either interest-bearing or interest-free. Under Art. 2467 c.c., repayment of such sums shall take priority over the distribution of dividends, constituting a return of capital that is not taxable in the hands of the member.
- II. **Financial Leverage and Powers of Disposition:** The Sole Director, or the Financial Director appointed by him, shall have the exclusive and unconditional power to determine the Company's financial leverage. He may independently decide to incur debts, enter into credit facilities and deploy liquidity in investment transactions, without requiring prior authorisation from the members' meeting or third parties.

IV. Transfers of Quotas and Protection of the Membership Structure

Art. 9 - Transfers of Quotas and Protection of Control

This section establishes the filters and “locks” on the Company’s membership structure to prevent the entry of unwanted members or third-party interference. Through Lock-up restrictions, Pure Approval and Asymmetric Rights of First Refusal, the Founder retains a veto over every transfer, ensuring that quotas always remain in trusted hands or are consolidated in his own ownership in the event of succession or attachment.

9.1. Dynamic Conversion Mechanism and Digital Transfers

To ensure the Founding Member maximum flexibility in managing the Company’s membership structure and investment flows, the following is established:

- I. **Unilateral Right of Conversion:** The Founding Member Simone Testino shall have the unreviewable power to split his equity interests and arrange their simultaneous conversion, in whole or in part, into Categories B, C or the specific *Tracking Shares* (Business, Living, Luna) upon transfer to third parties. This conversion shall operate as a right already provided for in the Articles of Association, and the Company shall be required to record the change of category through registration in the Companies Register, without any members’ resolution or amendment to the incorporation deed being required.
- II. **Freedom of Pricing and Premium:** The Founder shall have full and absolute freedom to determine the sale price, payment terms and any premium for the transfer of his quotas to third parties, through freely negotiated private transactions. Any requirement for an external valuation report or a valuation proportional to the Company’s net assets is expressly excluded, pricing being linked to the strategic value of the category or business branch transferred.
- III. **Disintermediated Transfer:** Under Art. 36-bis D.L. 112/2008, every transfer of quotas already issued shall take place exclusively by digital signature between the parties (transferor and transferee) and filing with the Companies Register by an authorised intermediary. The parties hereby declare that the digital form is the only permitted form for the transfer of equity interests, expressly dispensing with notarial involvement for all inter vivos transfers.

9.2. Asymmetric Right of First Refusal

- I. **Right of First Refusal in Favour of the Founder:** If a member (other than the Founder) intends to transfer all or part of their quotas to third parties (after the Lock-up period has expired), they shall first offer them to the Founding Member on the same terms agreed with the third party. The Founder shall have 30 days to exercise the preferential purchase right.
- II. **Exemption of the Founder from the Right of First Refusal:** The Founding Member is expressly exempted from the obligation to grant a right of first refusal. He may transfer his quotas to any third party, at any time and at any price, without first offering them to the other members and without those members being entitled to assert any purchase or objection right.
- III. **Transfers between Members:** The right of first refusal shall not apply to transfers between the Founder and companies attributable to him or his heirs, ensuring maximum continuity in the management of control.¹⁵

9.3. Pure Approval Right

To ensure that the Company’s membership consists exclusively of persons acceptable to the Founder, an approval restriction is established on transfers of equity interests.

¹⁵ See Art. 2469 c.c.

- I. **Founder's Veto Power:** Every transfer of quotas to third parties (non-members), even where carried out in compliance with the right of first refusal and the lock-up period, shall be subject to the prior and unreviewable approval of the Founding Member Simone Testino (or the Administrative Body controlled by him).
- II. **Nature of the Approval:** This is "Pure Approval", and accordingly the Founder shall not be required to give reasons for any refusal. A transfer instrument without the Founder's written approval shall be void and ineffective against the Company.
- III. **Compulsory Purchase Obligation:** If approval is refused, the member intending to sell shall have the right to withdraw from the Company or, alternatively, the Founder (or a person appointed by him) undertakes to purchase the quotas at nominal value or according to the valuation criteria established for a Bad Leaver, to avoid permanently blocking the equity interest.¹⁶

9.4. Security Interests and Seizures over Quotas

- I. **Prohibition on Creating Encumbrances:** Members (other than the Founder) are expressly prohibited from pledging, creating a usufruct over, or subjecting their equity interests to any other encumbrance without the Founder's prior written consent.
- II. **Ineffectiveness of Unauthorised Encumbrances:** Any encumbrance created in breach of this article shall not be enforceable against the Company and shall not entitle the pledgee or usufructuary to exercise voting rights or other administrative rights.¹⁷

9.5. Succession on Death

To ensure governance stability and the homogeneity of the Company's membership structure, the ordinary rules on succession to quotas are derogated from.

- I. **Non-Transferability to Heirs:** On the death of a member (other than the Founder), their quotas shall not pass to their heirs but shall instead be compulsorily purchased proportionally by the Founder or redeemed by the Company itself.
- II. **Settlement of Value:** The heirs shall be entitled solely to a cash settlement of the value of the quota, calculated on the basis of the book net assets in the latest approved financial statements, excluding goodwill. Payment may be spread over 24 monthly instalments so as not to prejudice Company liquidity.¹⁸

Art. 10 - Exit Rights, Compulsory Purchase and Capital Transactions

This section provides the Director with the operational tools to manage the expulsion of inefficient members and extraordinary finance transactions. It includes Drag-Along clauses to compel a total sale, Buyback mechanisms to repurchase quotas with Company funds, and Anti-dilution protections, allowing the Company to scale its capital rapidly through increases capable of taking effect even if only partially subscribed, without ever weakening the Founder's position.

10.1. Exit and Drag-Along Rights

- I. **Drag-Along Right:** If the Founding Member decides to sell to a third party an equity interest representing a majority of the share capital, he shall have the right (but not the obligation) to require all other members to sell their equity interests to the same buyer, on the same conditions and terms. Minority members shall be contractually obliged to consent to the transfer.¹⁹
- II. **Exclusion of the Co-Sale Right (Tag-Along):** The right of minority members to be "dragged along" or join the sale carried out by the Founding Member is expressly excluded. The Founder

¹⁶See Art. 2469, paragraph 2, c.c.

¹⁷See Art. 2471-bis c.c.

¹⁸See Art. 2469 c.c. and Massima 73 Consiglio Notarile di Milano concerning consolidation clauses.

¹⁹See Massima 88 Consiglio Notarile di Milano (Validity of drag-along clauses).

shall remain free to sell his quotas to third parties without the other members being entitled to demand that their own equity interests be sold proportionally or on the same terms.

- III. **Execution of the Transfer:** If a minority member fails to comply with the drag-along obligation within 15 days of notification, the Founder is hereby authorised to sign the transfer instrument in the name and on behalf of the defaulting member, by virtue of the irrevocable mandate conferred upon signature of these Articles of Association.

10.2. Bad Leaver and Expulsion Clauses

To ensure that the Company's membership consists exclusively of persons who actively contribute to the value of the business, the following is agreed:

- I. **Definition of Bad Leaver:** A "Bad Leaver" event shall arise if a member (other than the Founder) who performs work or professional activities for the Company (including under Work for Equity arrangements): (a) resigns without just cause; (b) is dismissed or has their contract terminated for just cause or justified subjective reason; (c) breaches non-compete or confidentiality covenants.
- II. **Purchase Option (Call Option):** Upon a Bad Leaver event, the Founding Member shall have the right to compulsorily purchase the defaulting member's entire equity interest at the nominal value of the quotas (Euro 1,00 for each euro of capital), or at book net asset value if lower.
- III. **Compulsory Execution:** The member classified as a Bad Leaver shall be required to transfer their quotas within 15 days of the request. Failing this, the substitute-signature procedure by the Founder already provided for in relation to Drag-Along shall apply.²⁰

10.3. Compulsory Purchase Right for Inactivity or Forced Withdrawal

- I. **Inactive Member:** The Founder shall have the right to compulsorily purchase minority members' quotas if, for a period exceeding 6 months, they fail to attend members' meetings or provide the professional contributions required under the Work for Equity agreements.
- II. **Compulsory Purchase Price:** The compulsory purchase shall take place at nominal value plus statutory interest, ensuring that the Founder can "clean up" the Company's membership structure by removing persons who no longer contribute synergistically.²¹

10.4. Compulsory Purchase Right over Equity Interests

To preserve the homogeneity of the Company's membership structure, the Company (or the Founder acting for it) shall have a compulsory purchase right over quotas upon certain objective events.

- I. **Compulsory Purchase Events:** The Founder shall have the right to compulsorily purchase a member's quotas upon: (a) the member's death; (b) the member's bankruptcy or subsection to insolvency proceedings; (c) attachment of the quotas by third-party creditors.
- II. **Procedure and Price:** The compulsory purchase right shall be exercised by written notice. The purchase price shall be determined on the basis of the book net assets shown in the latest approved financial statements, without including goodwill, in order to protect the Company's reserves from claims by third parties outside the original project.²²

10.5. Compulsory Enforcement of Signature Obligations

- I. **Irrevocable Power of Attorney:** To make the Drag-Along, Compulsory Purchase and Bad Leaver rights effective, each member (other than the Founder), by subscribing for or acquiring quotas, confers an irrevocable mandate under Art. 1723 c.c. on the Founder for the time being, authorising him to sign in the name and on behalf of the member all instruments (including digital instruments) necessary to transfer the quotas.²³

²⁰See Art. 2473-bis c.c. concerning the expulsion of members from S.r.l. companies.

²¹See Art. 2473-bis c.c., concerning determination in the Articles of Association of the settlement payable for expulsion for just cause.

²²See Art. 2473-bis c.c.

²³See Art. 1723, paragraph 2, c.c.: a mandate conferred also in the interest of the agent or third parties.

Art. 11 - Deadlock Clause (Texas Shoot-out) and Lock-up

11.1. Transfer Restrictions (Lock-up)

- I. **Lock-up Period:** For a period of 3 (three) years from the date of subscription for or acquisition of the quotas, members other than the Founder Simone Testino may not sell, transfer, pledge or otherwise dispose of their equity interests in favour of third parties, whether for consideration or gratuitously, without the Founder's prior written consent.
- II. **Exemption for the Founder:** The aforesaid restriction shall not apply to the Founding Member, who shall remain free to sell his quotas at any time, ensuring maximum liquidity for his position.
- III. **Breach of the Restriction:** Any transfer instrument executed in breach of this article shall be considered ineffective against the Company; the Company shall not arrange registration in the Companies Register and shall not recognise any administrative or economic rights of the third-party purchaser.²⁴

11.2. Resolution of Decision-Making Deadlocks (Texas Shoot-out)

- I. **Activation of the Procedure:** In the event of a decision-making deadlock at the Members' Meeting or between categories of quotas that prejudices the operations of one or more Business Branches, the Founding Member shall have the power to activate the "Texas Shoot-out" clause (or Russian clause).
- II. **Compulsory Purchase Mechanism:** The Founder shall notify members of a fair price for the purchase of their equity interests. The recipient members shall have 15 days to: (a) sell their quotas to the Founder at the stated price; or (b) purchase the Founder's entire equity interest at the same unit price.
- III. **Lapse of Special Rights:** If the Founder's quota is acquired by third parties following a deadlock, all special multiple-voting rights, veto rights and free licences to use the technologies of all Branches shall lapse immediately, remaining vested in the Founder as an individual or his designated entity.

11.3. Monitoring of Transfers of Capital and Conditions of Validity

- I. **Mandatory Advance Notice of Transfer:** Irrespective of the right-of-first-refusal or approval clauses provided for in these Articles of Association, any member intending to sell, exchange or otherwise transfer their quotas on any basis shall formally notify the Sole Director by PEC at least 15 (fifteen) days before the date of the transfer instrument.
- II. **Sanction of Nullity and Ineffectiveness:** Compliance with the aforesaid notice period and transmission of the relevant PEC shall constitute an essential condition for the validity of the transfer. Failure to comply with the notice period or omission of the notification shall render the transfer instrument absolutely void between the parties and ineffective against the Company. In that event, the Director shall have the power and duty to refuse entry of the new person in the register of members and prohibit the exercise of any administrative or economic right attached to the quotas affected by the breach.
- III. **Update of the Internal Register:** The 15-day period is established to allow the Director to verify the transfer's compatibility with the Company's digital records, SQL databases and internal regulations (Master Operating Protocol) before updating the membership structure.²⁵

²⁴See Art. 2355-bis c.c., read together with the provisions in force governing equity interests in S.r.l. SMEs and Startups.

²⁵See Art. 2470 c.c., supplemented by Art. 2469 c.c. concerning the autonomy of the Articles of Association in regulating the limits and procedures for transfers.

V. Governance, Administration and Control

Art. 12 - Members' Decisions and Remote Meetings

12.1. Digital Governance, Administration and Information Systems

The Company adopts a "Digital-Native" governance model, in which operational management is dis-intermediated and based on IT protocols that supplement and specify the provisions of the Articles of Association.

12.2. Remote Meetings and Electronic Voting

- I. **"Virtual-Only" Meetings:** Meetings are held exclusively by means of telecommunications. No physical place of meeting need be specified; the "Virtual Room" indicated in the notice is the sole meeting venue.
- II. **Written Consultation and Strategic Veto:** Members' decisions may be taken by PEC. No extraordinary resolution is valid without the Founder's favourable vote; the Founder holds a permanent veto over every amendment to the Articles of Association or structural change.

Art. 13 - Administrative Body and Derogation from Conflict-of-Interest Rules

13.1. Sole Director and Absolute Management Powers

- I. **Appointment and Term:** Administration is entrusted to a Sole Director, namely the Founder Simone Testino, for an indefinite term. He may be removed only for objective just cause established by a court; in the absence of that condition, removal requires the Company to pay a penalty equal to 10 (ten) years of his most recent total annual remuneration.²⁶
- II. **Comprehensiveness of Powers:** The Director holds all powers of ordinary and extraordinary administration, without any limitation as to value or category. He may independently sell real estate, enter into loan agreements, provide guarantees and carry out M&A transactions.
- III. **End-of-Term Indemnity (TFM):** The Director is entitled to a TFM determined independently when his remuneration is set, constituting a certain and liquidated debt of the Company.

13.2. Permanent Authorisation to Contract with Oneself

- I. **Derogation from Conflict-of-Interest Rules:** By derogation from Arts. 1395 and 2475-ter c.c., the Sole Director is authorised to enter into contracts with himself, both in his own capacity and as the legal representative of other entities (including foreign entities) in which he has an interest or control.
- II. **Validity of Intragroup Transactions:** This power covers every commercial or financial transaction between Business Branches or between the Company and the Founder's other activities, including centralised cash-flow management (cash-pooling).

13.3. Protection of Valuation and Safeguarding of Agreements

- I. **Freedom of Strategic Negotiation:** The consideration and terms of every agreement (acquisitions or B2B contracts) are determined by the Director, without being subject to challenge, on the basis of the strategic vision. Members waive the right to challenge the economic adequacy of those transactions.

²⁶See Art. 1382 c.c.

- II. **Immunity from Challenge of Potentially Prejudicial Acquisitions:** Pursuant to Art. 2343-bis c.c., members approve in advance the acquisition of assets or business branches from members or directors, guaranteeing full indemnification of the Administrative Body for transactions carried out during the first two years of the Company's existence.²⁷

13.4. Protection of the Administrative Body and Advisory Board

- I. **Full Indemnification:** The Company assumes every cost arising from the Founder's civil liability to third parties in the exercise of his functions, including legal defence costs, except in cases of wilful misconduct or gross negligence established by a final judgment.
- II. **Digital Advisory Board:** The Director may appoint a technical and strategic Advisory Committee. Committee members do not become directors, have no representative powers, and their remuneration or reimbursement of expenses is determined by the Founder within the operating budget.

13.5. Strategic Succession and Designation of a Successor by PEC

- I. **Prior Designation of a Successor:** To ensure continuity of management in the event of the Founder's temporary incapacity, serious illness, death or resignation, the Founder has the exclusive right to designate his successor as Sole Director.
- II. **Validity of Digital Notice:** Designation may occur at any time by a communication sent by the Founder to the Company by PEC, signed with a certified Digital Signature. That document shall name the person who is to succeed him with the same powers and protections.
- III. **Automatic Succession:** Where such a designation exists, members must ratify the appointment of the designated person within 7 days of the succession event. If they fail to do so, the appointment is deemed to have occurred *ope legis* under these Articles of Association.
- IV. **Limitation for Statutory Heirs:** In the absence of an express designation by PEC, the Founder's heirs succeed to the economic ownership of the quotas, but not to the special voting and veto rights, which remain suspended until a new unanimous resolution, in order to preserve technical integrity.²⁸

13.6. Extraordinary Transactions, M&A and Strategic B2B Agreements

To ensure maximum flexibility in the group's growth and in concluding complex commercial agreements, the Company adopts the following guidelines for integrating assets and managing exotic partnerships.

13.7. Growth Strategy, M&A and Strategic Partnerships

- I. **Business Combination and Joint Venture Powers:** The Administrative Body may promote acquisitions, mergers and demergers, and establish Joint Ventures, network contracts or profit-sharing associations with domestic and foreign partners, in order to expand the Business Branches (Art. 4).
- II. **B2B Agreements and "Exotic" Partnerships:** The Director is expressly authorised to enter into commercial cooperation agreements, exclusivity contracts and strategic B2B partnerships (especially in the *ColivingLiguria Business* branch) involving revenue-sharing, royalties or exchanges of services, including non-standard contractual structures or structures governed by foreign laws.
- III. **Creation of Subgroups and NewCos:** The establishment of subsidiaries, including foreign subsidiaries, or the contribution of assets to specific corporate vehicles to isolate the risk of individual B2B or technological projects is permitted.

²⁷ See Art. 2343-bis c.c. and Art. 2476, paragraph 1, c.c., concerning prior authorisation and limitation of management liability.

²⁸ See Art. 2468, paragraph 3, c.c.

13.8. Cross-Border Orientation and Transition to a European Corporate Regime

To operate as a natively European entity, break down national barriers and ensure maximum asset mobility, the following powers and automatic mechanisms are established:

- I. **Foreign Operations and Assets:** The Company is authorised to establish secondary offices and operational branches in any EU Member State or third country, acquiring real-estate or technological assets abroad and entering into B2B agreements governed by foreign laws. The Administrative Body may implement international *Cash-Pooling* systems to centralise financial flows between the Company and its foreign investee companies or parent companies, removing every administrative obstacle to capital movements.
- II. **Cross-Border Mobility and Conversion:** Pursuant to D.Lgs. 19/2023 (EU Directive 2019/2121), the Company may carry out cross-border mergers, demergers or conversions and transfer its registered office abroad while preserving its original legal continuity, evolving into supranational corporate forms or forms subject to jurisdictions more favourable to business development.
- III. **Automatic Conversion to the EU Regime:** By subscribing to these Articles of Association, members give their irrevocable consent now for the Company, as soon as legally possible, to adopt the future single European corporate regime (the so-called "28th Statute" or equivalent European Startup/SME forms). The Sole Director is delegated the broadest powers to perform every act necessary to convert the S.r.l. into an entity governed by supranational European law, without any further members' resolutions.
- IV. **Primacy of EU Law and eIDAS Standards:** If the European regime is adopted, these provisions of the Articles of Association shall be deemed automatically supplemented by the provisions of the relevant EU Regulation, preserving the Founder's special rights. For every international interaction, the Company exclusively adopts digital-signature and electronic-identity standards under the EU eIDAS Regulation, guaranteeing the validity of contracts throughout the Union without physical legalisation.²⁹

Art. 14 - Supervisory Body

The establishment and operation of the Company's supervisory bodies are governed as follows:

- I. **Initial Exemption:** At incorporation, the Company is not required to appoint a Board of Statutory Auditors or a Statutory Auditor of Accounts, since none of the conditions under Art. 2477 of the Italian Civil Code applies.
- II. **Mandatory Appointment:** If, for two consecutive financial years, at least one of the thresholds under Art. 2477 c.c. is exceeded (balance-sheet assets of Euro 4.000.000, sales or service revenue of Euro 4.000.000, or an average of 20 employees), the Members' Meeting shall give priority to appointing a **Statutory Auditor of Accounts** (or an Audit Firm) entered in the relevant Register, thereby limiting supervision to the audit of accounts alone. Alternatively, the Members' Meeting may appoint a Sole Statutory Supervisor.
- III. **Voluntary Auditing and Certification:** Irrespective of whether the statutory thresholds are exceeded, and specifically to facilitate access to European structural funds (e.g. FESR programmes) and public calls (e.g. Invitalia), the Administrative Body has the power, not subject to challenge, to appoint an Independent Auditor or an Audit Firm at any time to issue audited financial statements.
- IV. **Cessation of the Requirement:** The appointment requirement under Art. 2477 c.c. ceases if none of the above thresholds is exceeded for three consecutive financial years.³⁰

²⁹See D.Lgs. 19/2023 (cross-border mobility) and EU Regulation No. 910/2014 (eIDAS).

³⁰See Art. 2477, paragraph 3, c.c. (as amended by D.Lgs. 14/2019, the Business Crisis Code).

Art. 15 - Internal Administration, PEC Protocol and SQL Databases

15.1. The Operating Rulebook (Operating Agreement) and Regulations by PEC

- I. **Delegation to Private Regulation:** All matters not mandatorily reserved to the Articles of Association are governed by the "Internal Management Regulations" (or *Master Operating Protocol*). These include, by way of example: (a) *Work for Equity* plans; (b) management protocols for the Business Branches (Art. 4); (c) asset-use policies.
- II. **Digital Override Power:** The Director may amend or supplement the operating rules by documents signed with a Digital Signature and communicated to members by PEC. Such documents constitute a binding source of obligations and take precedence over previous practices in matters legally subject to private agreement.

15.2. SQL Databases and Digital Registers as the Source of Truth

- I. **Official List and Unilateral Changes:** The "Internal Management Regulations" (or *Master Operating Protocol*) contain the official and exhaustive list of all relational (SQL) databases, servers and digital registers recognised by the Company. The Sole Director has the exclusive power, not subject to challenge, to add, replace or remove IT systems from that list at any time, without authorisation or ratification by the Members' Meeting or third parties.
- II. **Automatic Effect and Non-Opposability of Data:** Any database or register included in that list (including financial logs, *ColivingLiguria Living* bookings and the *Luna* Branch's IoT registers) automatically and immediately acquires the status of an official document and an absolute "source of truth". Those registers constitute non-opposable evidence of the proper performance of services and form the exclusive basis for calculating economic entitlements (e.g. *Tracking Shares* and *Work for Equity*), without the need for further sworn statements or confirmatory declarations.
- III. **Property Surveys and Asset Condition:** The same principle of an absolute presumption of truth applies to technical, architectural and photographic surveys and measurements relating to real estate and physical assets as soon as they are uploaded to the Company's official databases. Those digital documents constitute the sole legally binding description of the actual state and condition of the properties, precluding any challenge by members or collaborators.³¹

15.3. Architecture of the Business Branches and Management Autonomy

To ensure maximum operational efficiency and protect the value generated, the Company is structured into three functionally autonomous Business Branches. This separation governs the allocation of tangible and intangible assets and the exercise of decision-making powers relating to each sector.

15.4. Asset Allocation Criteria and Primacy of the Internal Register

- I. **Functional Allocation:** Legal ownership of every asset belongs to the Company, but its accounting allocation and exclusive right of use are determined by its strategic function in relation to the individual Business Branches.
- II. **SQL Databases as the Source of Truth:** The allocation of each asset (whether real estate, a patent, software or a receivable) to a specific Business Branch is defined in the "Internal Asset Register" managed through the Company's SQL databases. That register's records are non-opposable by members and prevail over every other internal classification.

15.5. Autonomy and Responsibilities of the Business Branches

Each branch has a specific asset base and dedicated decision-making criteria:

- I. ***Luna* Branch (Technological Core):**

³¹**Legal Framework:** Granting full evidential value to internal IT systems and the surveys deposited in them is an expression of contractual and statutory autonomy under Art. 2468 c.c., intended to ensure certainty and speed in managing the Business Branches and minimise the risk of internal litigation.

- **Assets:** Includes IoT architectures, *Python* models, code repositories, databases, research laboratories, technological production facilities and properties used as computing centres.
- **Decisions:** Every technical, software-development or data-management decision is reserved exclusively to the Founder or members holding "Luna Category" quotas, according to the protocols defined in the Internal Regulations.

II. *ColivingLiguria Living Branch* (Residential Activities and Construction):

- **Assets:** Includes accommodation spaces (guest accommodation), communal residential areas and the entire fleet of tools, machinery and equipment used for building renovation, systems installation and maintenance.
- **Decisions:** Decisions concerning hospitality policies, building works and maintenance are taken by the Administrative Body in coordination with the branch's operational members, prioritising the maximisation of property value.

III. *ColivingLiguria Business Branch* (Media and Professional Management):

- **Assets:** Includes office/coworking properties, commercial premises, media-management software models, professional-contact databases and external consulting contracts.
- **Decisions:** Management of B2B relationships, commercial communications and premises generating professional income follows market principles aimed at expanding the Company's network.

15.6. Decision-Making Powers and "Master Operating Protocol"

- Hierarchy of Decisions:** Although legal representation belongs to the Sole Director, members' resolutions relating to a specific branch (e.g. technological investments for *Luna*) are governed by the checks and balances of the individual quota categories, as defined in the Capital Section.
- Inter-Branch Compensation:** Where a branch's operations require assets belonging to another (e.g. *ColivingLiguria Living* uses *ColivingLiguria Luna* software), the Director defines the terms of use and any internal economic compensation by PEC, ensuring that the profitability of each corporate "identity" can be monitored independently.³²

15.7. Transfers of Assets and Capital without Consideration Requirements

- Reallocation Power:** The Sole Director has the power, not subject to challenge, to move tangible assets (e.g. real estate, equipment), intangible assets (e.g. licences, patents) and financial capital from one Business Branch to another.
- Discretion over Compensation:** Such transfers may occur at the Founder's sole discretion: (a) for consideration, with an internal rent or sale price between branches; (b) free of charge, where the transfer is considered strategic for the Company's general interest. Members of the branches concerned may not challenge the adequacy of the consideration or its absence.

15.8. Notification Procedure and Validity of the Transfer

- Effectiveness through the Internal Register:** No notarial deed or ordinary members' resolution is required to execute the transfer. The internal transfer of ownership or change of use is completed by updating the "Internal Asset Register" (SQL Database) and simultaneously generating an internal administration document digitally signed by the Director.
- PEC Notice and Transparency:** The Director shall notify the members of the branches concerned of the transfer by PEC. That notice is a mere report and is not a condition of the transfer's validity; the transfer remains effective from the time of the change in the SQL Database.

³²See Art. 26 D.L. 179/2012 concerning the issue of quota categories with limited rights.

15.9. Voting Rights and Consent to Transfers

- I. **Focus on the Transferring Branch:** Where specific statutory or regulatory provisions require members' consent, the voting right to approve the transfer belongs exclusively to members of the Business Branch that "transfers" the asset or resource (the Transferring Branch). The Receiving Branch, which obtains the economic benefit, is deemed to consent *ope legis*.
- II. **Supremacy of the Founder:** In every case, the vote of the Founder Simone Testino is decisive and takes precedence in every inter-branch transfer procedure. He has the power to override any opposition by the Transferring Branch where the transaction serves the development of the *Luna* Branch or the Company's overall stability.³³

³³See Art. 2468, paragraph 3, c.c., concerning special rights attributed to an individual member.

VI. Operational Ecosystem, IP and Welfare

Art. 16 - Intellectual Property and Copyright

16.1. Protection of Intangible Assets, Trade Secrets and Loyalty

This section establishes a regime of absolute protection for the Company's intellectual assets. By contractually assigning values in the millions to the business models and software architectures (*Luna*), members accept compensatory penalties of the utmost severity, intended to neutralise every attempt at espionage, copying or unfair competition, guaranteeing the integrity of the Business Branches.

16.2. Definition of Confidential Assets and Business Secrets

I. **Subject Matter of the Secret:** The following constitute trade secrets under Arts. 98 and 99 of the Industrial Property Code (D.Lgs. 30/2005), and are therefore inaccessible to third parties and may not be disclosed by members: (a) the integrated *Business Plan* of the *ColivingLiguria Living* and *ColivingLiguria Business* branches; (b) the architecture of the *SQL Databases* and their contents; (c) the algorithms, registers and *Python* models, the source code of the website and IoT infrastructure of the *Luna* Branch; (d) the "Internal Management Regulations" (Operating Agreements) and every internal administration document communicated by PEC or held in digital archives and not already published by the Founder.

II. **Intellectual Property:** Every line of code, predictive model, *Python* script or operating procedure developed by members or collaborators (including under *Work for Equity*) is deemed to belong originally and exclusively to the Company. Joining the Company entails irrevocable waiver of every right to economic authorship or individual exploitation of those assets.

16.3. Contractual Valuation of Assets and Compensatory Penalties

Members acknowledge and accept that unauthorised disclosure or misappropriation of the above assets causes immediate and irreparable damage, whose value is contractually predetermined as a minimum compensation threshold:

I. **ColivingLiguria Model:** The *Business Plan* and operational *Know-How* of the *ColivingLiguria Living* and *ColivingLiguria Business* segments are valued by the parties at no less than **Euro 1.000.000,00 (one million)**. Anyone reproducing or using those models without the Founder's digital authorisation must immediately pay that amount as a minimum penalty.

II. **Luna Technology:** Given the scalability and innovative nature of the IoT technologies and *Python* models, the value of that Business Branch is assessed at no less than **Euro 2.000.000,00 (two million)**. Misappropriation or copying of code, logic or architectures entails an obligation to pay that amount as a minimum penalty.

III. **Additional Damages Clause:** The above amounts constitute only a lump-sum starting point (a penalty under Art. 1382 c.c.). If the Company demonstrates, including by technical expert reports or financial projections, that the damage actually suffered — or the value of the economic benefit wrongfully obtained by the infringer — exceeds those amounts, the Company has the non-derogable right to claim full compensation for the greater damage. Members accept that total compensation must reflect the entire market potential lost and the impairment of strategic assets.³⁴

16.4. Duties of Loyalty, Confidentiality and Non-Competition

I. **Non-Competition Prohibition and Express Exception:** Members (other than the Founder) are absolutely prohibited from carrying on activities competing, directly or indirectly, with the *ColivingLiguria Living* and *ColivingLiguria Business* branches throughout the European Union.

³⁴See Art. 1382, paragraph 1, c.c.

An exception to that prohibition may be made solely by the Founder's written authorisation, sent to the member by PEC and accompanied by a document signed with a certified Digital Signature.

- II. **Protection of Know-How and the *Luna* Branch:** Anyone holding or having held interests in categories linked to the *Luna* Branch, and anyone having had access to sensitive material, is subject to a non-derogable prohibition on copying, reproducing or developing similar technologies or business models. Members acknowledge that the *Business Plan* constitutes a non-opposable trade secret.
- III. **Exclusion and Punitive Compulsory Purchase:** Breach of the above prohibitions or misappropriation of data from the *SQL Databases* constitutes a serious breach and just cause for exclusion. In that event, the Founder shall compulsorily purchase the defaulting member's interest at the nominal value of Euro 1,00 (one euro).
- IV. **Maximum Compensatory Penalty:** In addition to exclusion, the member in breach must pay a penalty equal to three times the value contributed or, if greater, the entire annual turnover generated by the competing activity. In every case, the penalty shall be no less than the above contractual valuations (1 or 2 million euros), enforceable immediately in court.³⁵

16.5. Post-Exit Confidentiality and Return Obligations

- I. **Duration of the Restriction:** Confidentiality duties and the prohibition on using the *Know-How* continue to bind the member for 30 (thirty) years after loss of member status.
- II. **Data Deletion:** On leaving the Company, the member must delete every copy of *Python* code, *SQL Database dumps* or confidential documents, issuing a declaration in lieu of an affidavit. Failure to destroy the data entails automatic application of the maximum penalties provided for.

16.6. Limitation of Inspection and Supervision Rights

- I. **Derogation from Art. 2476 c.c.:** Holders of Class C Quotas and Tracking Shares are entitled to receive only the annual financial statements and summary reports relating to their own branch. Their right to inspect the corporate books and detailed accounting documents of other Business Branches is expressly restricted in order to protect trade secrets and the confidentiality of the Founder's strategies.³⁶

16.7. Digital Sovereignty and Access to IT Systems

- I. **Access Protocols:** Access to servers, *Python* code repositories and *SQL Databases* is governed by the Founder. Member status confers no automatic right to access raw data or algorithmic logic.
- II. **Penalty for Unauthorised Access:** Any attempt to bypass cryptographic protections or extract large volumes of data (data scraping) without the Founder's authorisation is considered a serious breach of loyalty duties, with immediate application of the penalties in the millions provided for in this section.

16.8. Remuneration through the Exploitation of Intellectual Property

The Company, recognising intellectual and scientific contributions as a fundamental pillar of its activity, adopts a remuneration system based on exploiting intellectual works produced in the interest of the *ColivingLiguria Luna*, *ColivingLiguria Living* and *ColivingLiguria Business* Business Branches.

- I. **Assignment and Economic Exploitation:** The Company is expressly permitted to acquire from members, employees and external collaborators — and they are permitted to assign to the Company — economic exploitation rights in original intellectual works, including, by way of non-exhaustive example: software source code, SQL database architectures, predictive mathematical models, scientific texts, technical manuals and digital creative content.

³⁵ See Art. 2473-bis c.c. and Art. 1382 c.c.

³⁶ See Art. 26 D.L. 179/2012, applicable to the modulation of rights for SME/Innovative Startup S.r.l. companies, and Art. 2476, paragraph 2, c.c.

- II. **Legal Classification:** Consideration paid for such assignments is classified as income arising from the economic exploitation of intellectual works. This category is governed by Legge 22 aprile 1941, n. 633 (Copyright Law) and, for tax purposes, Art. 53, paragraph 2, letter b), of D.P.R. 22 dicembre 1986, n. 917 (TUIR).
- III. **Tax and Social Security Treatment:** The Company shall apply the withholding taxes required by applicable law, benefiting from the flat-rate deductions specific to the Copyright regime. It is acknowledged that such remuneration, being neither employment income nor income from habitual self-employed professional activity, is excluded from the INPS contribution base, subject to any contrary mandatory statutory provision.
- IV. **Verification of Originality:** Payment of remuneration is conditional on verification by the Administrative Body of the genuinely creative, original and innovative nature of the contribution, and of its strategic relevance to the Company's technological and commercial objectives.
- V. **Independence of Offices:** Copyright remuneration is separate and independent from any remuneration due for corporate offices or other work, without prejudice to the need to document adequately the distinction between the various activities performed for the Company.³⁷

Art. 17 - Relations with Collaborators and VAT-Registered Professionals

17.1. Collaboration Models, Personnel Management and Residential Welfare

The Company adopts an organisational model based on flexibility, multidisciplinary and the integration of professional life and residential living, favouring independent and professional collaboration relationships.

17.2. Relations with Professionals and External Collaborators

- I. **VAT-Registered Model and Independence:** The Company encourages collaboration with VAT-registered professionals, promoting their economic and professional independence. To exclude any presumption of employment, the Company actively promotes collaborators' provision of services to third-party clients through the *ColivingLiguria Business* Branch, acting as a catalyst for market opportunities.
- II. **Turnover Restrictions and Independence:** In accordance with applicable rules combating "false self-employment under VAT registration", the Company monitors that collaboration does not exhibit exclusive single-client dependence. The *ColivingLiguria Business* Branch is responsible for ensuring that each collaborator maintains multiple clients, preventing remuneration paid by the Company from constituting almost all of the professional's annual revenue.³⁸
- III. **Monitoring and Transparency Obligation:** To protect the Company against potential employment-law challenges, every external collaborator must provide, every four months, a self-certification sent by PEC and digitally signed. That document must certify the proportion of turnover arising from clients other than the Company and every other essential fact needed to verify the absence of single-client dependence.
- IV. **Indemnity and Penalty Clause:** If the collaborator fails to send the documentation or provides inaccurate, late or false data that prevents the Company from assessing the risk of being charged in relation to "false self-employment under VAT registration", the collaborator must indemnify the Company in full for every penalty, legal cost or social security charge arising from reclassification of the relationship. A fixed penalty of Euro 10.000,00 (ten thousand/00) is also payable by the collaborator for breach of the four-monthly disclosure obligations, without prejudice to compensation for additional damage.

³⁷See Art. 53, paragraph 2, letter b), and Art. 54, paragraph 8, TUIR (D.P.R. 917/1986).

³⁸See Art. 69-bis D.Lgs. 276/2003 on presumptions of employment.

- V. **Start-Up Support Services:** The *ColivingLiguria Business* Branch may provide administrative and logistical advice to collaborators on establishing and managing their professional positions, facilitating integration into the Company's network and growth of their external client portfolios.

17.3. Hierarchy, Work Rules and Individualised Contracts

The Company adopts a model for managing work and collaboration relationships based on operational flexibility and precise internal protocols, governed by the following hierarchy:

- I. **Primacy of the Individual Professional Contract:** Every relationship between the Company and its collaborators (whether members, employees, independent service providers, consultants or authors) is governed by a specific "Reference Professional Contract". That document defines in detail: the nature of the service, the allocation of remuneration between a fixed amount and copyright payments, technical objectives, residential benefits in the *ColivingLiguria Living* Branch and any penalties for breach of trade secrets.
- II. **Director's Regulatory Power:** The Administrative Body defines the detailed execution of work through "Internal Administration Documents". Those instruments govern, by way of example: availability and attendance schedules (where provided for), IT security protocols, access hierarchies for the *Luna* Branch's SQL databases, and the use of communal spaces and Company assets.
- III. **Binding Effect through PEC:** Internal Administration Documents and changes to operating protocols are communicated to collaborators exclusively through Certified Electronic Mail (PEC) or advanced digital-signature systems. Those communications constitute official notice and become an integral and binding part of the individual Professional Contract upon receipt, without the need for further formal acts.
- IV. **Individualised Remuneration and Benefits:** The Professional Contract determines the collaborator's remuneration mix on a non-derogable basis, including: (a) monetary remuneration; (b) benefits and services from the *ColivingLiguria Living* Branch at a market value predetermined by the Director; (c) any royalties for exploitation of intellectual property.
- V. **Breach and Termination:** Breach of protocols defined in the Internal Administration Documents or of clauses in the Professional Contract constitutes a serious contractual breach, entitling the Company to terminate the relationship and invoke the penalty clauses provided for in the Articles of Association.³⁹

Art. 18 - Housing Services, Strategic Welfare and Leases

18.1. Compensation through Housing Services and Welfare

- I. **Determination of Rental Value:** The Sole Director has the exclusive and non-derogable power to determine the market rental value or value of use of spaces (rooms, coworking workstations, laboratories) in the *ColivingLiguria Living* Branch, taking account of ancillary services, location and technological facilities provided.
- II. **Exchange and Set-Off:** The Company may agree with collaborators to offset, in whole or in part, professional remuneration due against the value of the housing and hospitality services provided. That "exchange of value" mechanism is intended to reduce collaborators' out-of-pocket costs and ensure the continuous presence of technical personnel at the *Luna* Branch's laboratories.
- III. **Ethical Integrated Wellbeing Policy:** The Company pursues an ethical policy aimed at maximising benefits for its members, employees and collaborators, promoting a model in which access to high-quality services and reduction of the real cost of living constitute a high-value form of indirect remuneration.

³⁹See Arts. 1453 et seq. c.c. concerning termination of contracts for breach.

- IV. **Programmatic and Discretionary Nature:** That approach, aimed at ensuring excellent housing and technological standards, is understood as a declaration of intent and a strategic objective of the Company. Provision of those benefits remains subject to the Administrative Body's assessment, not subject to challenge, on the basis of the resources available in the *ColivingLiguria Living*, *ColivingLiguria Business* and *ColivingLiguria Luna* Branches, and creates no individual entitlement for the collaborator unless expressly agreed by contract.

18.2. Asset Strategy and Real-Estate Asset Management

The Company operates in real estate through a dynamic management model, integrating ownership, operation of third-party assets and provision of high-value-added services.

18.3. Management, Enhancement and Operation of Third-Party Assets

- I. **Hybrid Management Model:** The Company may acquire ownership, bare ownership, usufruct or mere operation (lease and sublease) of third-party properties. It is authorised to carry out renovation, home-automation and repurposing works directly through personnel of the *ColivingLiguria Business* Branch.
- II. **Reference to Operational Contracts:** Technical details of works, allocation of extraordinary maintenance costs and the duration of individual management mandates are left to specific professional agreements, in accordance with guidelines established by the Sole Director.

18.4. Strategic Leasing and Variable Use Value

- I. **Determination of Target-Based Rent:** The Sole Director determines rent or consideration for use of spaces in the *ColivingLiguria Living* Branch on the basis of a multidimensional assessment including: (a) length of stay; (b) ancillary services included; (c) the value of the user's professional and human contribution to the Company's purposes.
- II. **Rent Reduction for Strategic Purposes:** The Director may apply significantly reduced rents to persons whose technical skills or alignment with the *Luna* Branch's research projects increase the intrinsic value of the Company's ecosystem. In those cases, the lower rent is not classified as a gift or economic benefit (*fringe benefit*), but as recognition of a lower use value due to the user's on-site support and active collaboration in the Company's interest.
- III. **Tourism Rents:** For persons using the spaces for purely recreational or tourism purposes, without operational ties to the Company, the Director shall apply rents consistent with current maximum market values.
- IV. **Tax Regime and Deductibility:** Integrated provision of accommodation and complex services (connectivity, maintenance, laboratory access) classifies the activity as hotel or professional hospitality services, guaranteeing full deduction of VAT on purchases and maintenance under Art. 19 D.P.R. 633/1972.⁴⁰

Art. 19 - Financial Year, Financial Statements and Distribution of Profits

- I. **Financial Year and Quarterly Reporting (Quarters):** The financial year ends on **31 (thirty-first) December** each year. The first financial year shall end on **31 December 2026**. For operational management control and measurement of individual Business Branches' performance, the fiscal year is formally divided into four reporting quarters (Q1: 1 January – 31 March; Q2: 1 April – 30 June; Q3: 1 July – 30 September; Q4: 1 October – 31 December).
- II. **Preparation and Approval:** The statutory annual financial statements are prepared by the Administrative Body in accordance with Arts. 2423 et seq. of the Italian Civil Code. The financial statements must be approved by members within 120 (one hundred and twenty) days of

⁴⁰See Art. 1322 c.c. (contractual autonomy) and Art. 19 D.P.R. 633/1972.

the financial year end, or within 180 (one hundred and eighty) days where the conditions under Art. 2364, paragraph 2, c.c. apply.

III. Internal Management and Adequate Organisational Arrangements (Art. 2086 c.c.):

Without prejudice to applicable civil-law and tax obligations, internal reporting, cash-flow analysis and operational management control are conducted primarily and continuously through internally produced software architectures (Python) and relational databases (SQL) belonging to the *Luna* Branch. Use of those advanced algorithmic systems constitutes express and valid fulfilment by the Administrative Body of its obligation to establish organisational, administrative and accounting arrangements appropriate to the nature and size of the enterprise and to the timely detection of a crisis, pursuant to and for the purposes of Art. 2086, paragraph 2, of the Italian Civil Code.

IV. Allocation of Profits: Net profits shown in duly approved financial statements are allocated as follows:

- a) at least 5% (five per cent) to the **legal reserve**, until it reaches one-fifth of the share capital under Art. 2430 c.c.;
- b) the remainder as resolved by members, on the Administrative Body's proposal, respecting the branch priorities established in the Capital and Tracking Shares section of these Articles of Association, subject to the **temporary prohibition on distributions** linked to SIAVS status (governed by Art. 5.1 of these Articles of Association).

Art. 20 - Dissolution, Liquidation and Contract Management

- I. **Grounds for Dissolution and Partial Branch Liquidation:** The Company is dissolved on the grounds set out in Art. 2484 of the Italian Civil Code. In addition, the Administrative Body has the power, not subject to challenge, to resolve to close, dispose of or partially liquidate an individual Business Branch (*ColivingLiguria Living*, *ColivingLiguria Business* or *Luna*) if it is no longer profitable or strategic. In that event, liquidation of the individual branch does not dissolve the entire Company, and the remaining resources (liquidity, assets, patents) allocated to it shall immediately be reclassified and absorbed by the other active Branches to strengthen them.
- II. **Appointment and Powers of the Liquidator:** In the event of total dissolution, liquidation shall be conducted by one or more liquidators appointed by the Members' Meeting. If the Members' Meeting fails to act within 30 (thirty) days of the dissolution event, the Founder Simone Testino is appointed **liquidator by right**. The liquidators (or the Director in the case of partial branch liquidation) may perform all necessary acts, including sale of the business as a whole or of individual Business Branches to third parties, as an alternative to piecemeal asset liquidation.
- III. **Management and Allocation of Business Contracts:** Both in the event of the Company's total liquidation and the partial closure of a specific Business Branch, the Director or Liquidator holds the following absolute and discretionary powers over all existing contracts (B2B, B2C, supplies, leases or licences) previously held by the closed branch:
 - **Internal Migration:** Transfer contracts and the associated active contractual positions to another surviving Business Branch of the Company, reclassifying them as internal assets.
 - **Open-Market Sale to Third Parties:** Sell active contracts, customer portfolios or management mandates to third-party buyers on the open market.
 - **Unilateral Termination:** Terminate, withdraw from and settle existing contracts unilaterally, bearing only the resulting economic consequences within the limits of that branch's capital.

- IV. **IP Buyback and Absolute Pre-emption (Right of First Refusal):** If the enterprise is liquidated, voluntarily or compulsorily, the Founding Member Simone Testino is reserved a non-waivable and absolute unilateral right of pre-emption to repurchase Intellectual Property, source code, *Luna's* SQL databases, real estate and every other asset. At the Founder's sole and complete discretion, that right may be exercised over the entire business or over individual Business Branches. The repurchase price for exercise of that right shall equal **50% (fifty per cent) of the net book value** shown in the latest financial statements. Only if that right is expressly not exercised within 60 (sixty) days of entry into liquidation may the Liquidator sell to third parties.⁴¹
- V. **Distribution of the Residue:** The remaining assets on total liquidation shall be distributed among members in proportion to their respective interests and respecting the branch priorities established for Tracking Shares.

Art. 21 - Arbitration Clause

- I. **Referral to Arbitration:** All disputes arising between members, or between members and the Company, concerning rights capable of settlement relating to the membership relationship, validity of the Articles of Association and incentive plans (*Work for Equity*), are referred to a **Sole Arbitrator**, appointed by the President of the Court of Savona at the request of the most diligent party, pursuant to Arts. 34, 35 and 36 of D.Lgs. 17 gennaio 2003, n. 5.
- II. **Type of Arbitration (Decision in Equity):** In view of the high technological, economic and social complexity of the Company's purposes, the Sole Arbitrator shall decide **in equity** (*ex aequo et bono*) and not "according to law", issuing an award in the nature of an informal (or contractual) arbitration award having contractual value between the parties, pursuant to Art. 808-ter c.p.c., in order to ensure a resolution consistent with the matter's actual technical and commercial substance.
- III. **Seat and Language:** The seat of arbitration shall be Savona. The proceedings shall be in Italian.
- IV. **Costs:** Arbitration costs, including the Arbitrator's fees, shall be borne by the unsuccessful party, unless the Arbitrator decides otherwise because both parties are partly unsuccessful or for other good reasons.⁴²

Art. 22 - Reference to Statutory Provisions

For all matters not expressly provided for in this Deed of Incorporation and these Articles of Association, the provisions of the Italian Civil Code (Arts. 2462-2483-bis c.c. concerning S.r.l. companies), D.L. 18 ottobre 2012, n. 179, converted with amendments by L. 17 dicembre 2012, n. 221, and subsequent amendments and additions concerning Innovative Startups, and every other applicable statutory provision in force shall apply.

⁴¹See Art. 2469 c.c. on contractual autonomy and Art. 2473 c.c. concerning options over strategic assets in the context of minority protection.

⁴²See Art. 34 D.Lgs. 5/2003 (arbitration clauses in articles of association).