

**DAHIR No. 1-06-13 OF 15 MUHARRAM 1427 (14 FEBRUARY 2006)
ENACTING LAW No. 41-05 ON VENTURE CAPITAL
INVESTMENT BODIES.**

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VENTURE CAPITAL INVESTMENT BODIES

PRAISE FOR GOD ALONE!

(Great Seal of His Majesty the King Mohammed VI)

Let it be known hereby - May God elevate and strengthen the content!

That our Sherifian Majesty,

Having regard to the Constitution, particularly articles 26 and 58,

HAS DECIDED AS FOLLOWS:

Law no.41-05 on venture capital investment bodies is hereby enacted and shall be published in the Official Gazette, further to this Dahir, as adopted by the House of Representatives and the House of Counsellors.

Done in Ifrane, on 15 Muharram 1427 (14 February 2006).

For countersignature:

The Prime Minister,

Driss Jettou.

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LAW No. 41-05
on venture capital investment bodies

TITLE ONE

General Provisions

Article one: The purpose of this law is to set the legal regime applicable to venture capital activities where they are carried out by venture capital investment bodies wishing to opt for the said legal regime and whose management must be compulsorily ensured by a management company as provided for in Title III of this law.

The venture capital activity, within the meaning of this law, implies for venture capital investment bodies financing small and medium-sized enterprises (PMEs), fulfilling the conditions provided for in article 9 below, in the form of equity securities, debt securities convertible or non-convertible into equity securities as well as current account advances of partners in accordance with the provisions of this law.

Article 2: Within the meaning of this law, venture capital activities are carried out by venture capital investment bodies, hereinafter referred to as FCPRs.

The FCPRs include venture capital companies, hereinafter referred to as SCRs, and the venture capital mutual funds, hereinafter referred to as FCPR.

TITLE II

Venture Capital Investment Bodies

Chapter I: Common Provisions

Article 3: The provisions of the Dahir providing law no. 1-93-213 of 4 Rabii II 1414 (21 September 1993) on undertakings for collective investment in transferable securities are not applicable to FCPRs.

Article 4: Assets of an FCPR can only include the following elements:

1) shares, units, investment certificates, all debt securities granting access or not to the share capital and the following debts:

- debts in the form of current account advances from partners blocked for a period of more than two years;
- debts in the form of current account advances from partners which are accompanied by an irrevocable commitment to their conversion into equity securities;

2) cash consisting of funds deposited at sight or for a period not exceeding two years and investments in the form of current account advances from partners at sight or blocked for a period not exceeding two years.

Article 5: An FCPR cannot proceed with borrowings beyond a threshold, in relation to its net position, set by the administration, on the proposal of the Securities Ethics Council (CDVM). However, this limit does not apply to refinancing granted by financial institutions, in order to promote the venture capital activity, whose list shall be set by the administration.

Article 6: To carry out the venture capital activity as governed by this law, FCPRs must:

- have the exclusive purpose of carrying out venture capital activities as defined by this law;
- have a net book value consistently represented by at least 50% of the assets as provided for in 1) of article 4 above representing debts and securities granting access directly or indirectly to the capital of PME's fulfilling the conditions provided for in article 9 of this law. This proportion of 50% of assets is hereinafter referred to as "minimum allocation".

Article 7: For the calculation of the 50% minimum allocation referred to in article 6 above:

- debt securities and debts in the form of current account advances of partners referred to in paragraph 1) of article 4 above, are only taken into consideration up to a maximum of 15% of the net book value of the FCPR;
- the OPCR must hold at least 5% of the capital of the PME's in which it holds securities representing debt securities that are convertible or non-convertible into equity securities, or for which it grants current account advances to partners as referred to in 1) of the said article 4.

For the purpose of calculating the 50% minimum allocation, the securities issued by PME's

meeting the conditions laid down in article 9 below, held by the OPCR for a period exceeding one year and which are subsequently listed on a compartment other than the third compartment of the Stock Exchange, are also taken into account, it being understood that after this listing, these securities are taken into account for the calculation of the minimum allocation for a maximum period of 3 years starting from the said listing.

Likewise, the securities issued by PME's meeting the conditions laid down in article 9 below, held by the OPCR for a period exceeding one year and which subsequently no longer qualify as PME's as defined in article one of law no.53-00 establishing the charter for small and medium-sized Enterprises are taken into account for the calculation of the 50% minimum allocation, it being understood that following the loss of this quality, the securities of the PME's concerned shall still be taken into account for the calculation of the minimum allocation for a maximum period of 3 years starting from the date of the loss of the PME quality.

All contributions taken into account for the 50% minimum allocation shall not grant, directly or indirectly, to an OPCR, or one of its, direct or indirect, shareholders or unitholders, Forty per cent (40%) or more voting rights in the general meetings of the PME's concerned, with the exception of the PME's that have been constituted for less than three years at the date of calculation of OPCR voting rights.

For the purposes of this article, the constitution of provisions or liquidation of a participation of the OPCR must be effective within a period of one year from the date on which the event justifying this provision or this liquidation has been brought to the attention of the management company in view of ensuring a true and fair view of the OPCR accounting.

Article 8: The OPCR's have a three-year period from their constitution to comply with the provisions of articles 6 and 7 above.

Article 9: in order to be considered eligible for the calculation of the 50 % minimum allocation referred to in article 6 above, the PME's must meet the following requirements:

- have the quality of PME within the meaning of article one of the abovementioned law no. 53-00.

However, and by way of derogation from the provisions of article one second paragraph b) of the said law no.53-00, the investment per job created ratio may be greater than 250,000 dirhams for newly created companies.

- Must be incorporated under Moroccan law

- Not having their securities listed on the Stock Exchange or having listed them for less than 5 years on the third compartment of the Stock exchange, as provided for in the Dahir law no. 1-93-211 of 4 Rabii II (21 September 1993) relating to the Stock Exchange, as amended and supplemented;

- Not having in their capital any contributions held by companies, not having the quality of PME within the meaning of article one of law no. 53-00 abovementioned, whose accumulation is greater than or equal to forty percent (40%) of the voting rights, this percentage not including the OPCR participation;

- Their managers, spouses, ascendants and descendants, do not hold, together or individually, directly or indirectly, a shareholding of more than twenty percent (20%) of the share capital of the SCR or of the units issued by the FCPR.

Article 10: The OPCR may be exempted from compliance with the 50% minimum allocation provided for in article 6 above if they declare to the CDVM that they are entering a divestment period.

For the purposes of this article, a disinvestment period of an OPCR shall mean the period beginning at least 6 years after the date of constitution of the OPCR concerned and during which the management company transfers the participations of the OPCR. During this period, no investment can be made on behalf of the OPCR.

Article 11: Shares and units representing contributions in kind made to an OPCR are fully paid up upon their issue.

Article 12: Prior to the constitution of an OPCR, the management company is required to submit for opinion of the CDVM the draft articles of association and the management mandate as provided for in article 27 above in the case of an SCR, or the draft management regulations in the case of an FCPR.

The CDVM examines the compliance of the said documents with the provisions of this law and transmits, within a maximum period of three (3) weeks from the date of deposit of these documents, its comments to the management company for the purpose, where appropriate, of rectifying the said documents.

The amendments to the management regulations of an FCPR and the articles of association of an SCR as well as, where appropriate, the management mandate binding the latter to a management company, must be submitted to the opinion of the CDVM.

If the OPCR is constituted or managed pursuant to non-compliant documents, the management company shall be liable to the sanctions provided for in article 43 below.

Article 13 : In addition to the documents referred to in article 12 above, the management company is also required to submit, for the opinion of the CDVM, an information document relating to the OPCR, in accordance with the standard model established by the CDVM. This document must specify all the elements necessary for the information of shares or units subscribers, and particularly:

- the limited or unlimited duration of the OPCR;
- the investment policy of the OPCR;
- the policy of allocation of results;
- the terms and conditions of subscription and transfer by shareholders or unitholders.

The CDVM assesses the consistency and quality of the information provided to the subscribers solicited to enable them to decide on the investment policy envisaged by the OPCR. It transmits its comments to the management company, where appropriate, for the purpose of completing or specifying the information in accordance with the above-mentioned standard model.

In case of amendment to the information document, it must be resubmitted to the opinion of the CDVM in accordance with the provisions of this article.

When the OPCR makes a public offering, the management company prepares the information document provided for in article 13 of Dahir no. 1-93-212 of 4 Rabii II 1414 (21 September 1993) relating to the Securities Ethics Council and the information required of legal entities making public offerings. This document must be prepared according to the standard model provided by the CDVM and includes the necessary elements for the information of the subscribers referred to in the first paragraph above. This information document gives rise to the settlement of the commission provided for in article 36 of the aforementioned Dahir providing law.

Article 14: A natural person, their spouse and their ascendants and descendants may not hold, together or individually, directly or indirectly, more than thirty percent (30%) of the rights for the profits of an OPCR, if they hold, directly or indirectly, forty per cent (40%) or more of the voting rights of one of the PME's held in the OPCR portfolio and admitted for the calculation of the minimum allocation referred to in article 6 of the this law.

Article 15: In order to maintain their liquidity and their solvency, the OPCRs must abide by the appropriate prudential rules including, in particular, the proportions to be respected:

- between the risks amount incurred on the same company or group of companies and all or part of the assets;
- between assets and all or certain components of liabilities;
- between all or part of the assets and the contributions, classified according to the maturity, the industry sector, or the level of financial risk of each contribution.

The aforementioned proportions and the methods for calculation of the corresponding ratios are set by the CDVM.

Chapter II: Specific Provisions

Section I: Venture Capital Mutual Funds

Article 16: The FCPRs are a co-ownership of assets, as referred to in article 4 of this law.

They do not have the legal personality

Their units are issued and sold in accordance with the terms and conditions set by the management regulations.

The units issued by the FCPRs shall be treated as transferable securities

The provisions of articles 960 to 981 of Dahir of 9 Ramadan 1331 (12 August 1913) forming the Code of Obligations and Contracts do not apply to FCPRs.

Article 17: An FCPR is established at the initiative of a promoter management company.

An FCPR is considered established as of the signing of its management regulations by the management company and the first subscribers.

Article 18: The FCPR's management regulations must specify at least the following information:

- the corporate name and duration of the FCPR, as well as the corporate name of the management company that manages it;
- the investment policy, including the specific aims it targets and the criteria on which it is based;
- the duration of the accounting financial year of the FCPR which may not exceed twelve (12) months. However, the first financial year may extend over a different period, without exceeding eighteen (18) months by derogation from the law no. 9-88 relating to the accounting obligations of traders;
- the terms and conditions of units subscription, as well as the methods for assessing the value of the FCPR's unit;
- the methods of allocating the results and, where appropriate, the distribution of income;
- the terms and conditions of paying up the contributions made to the FCPR;
- the methods of remuneration of the management company;
- the terms and conditions for the transfer of the units and, where appropriate, the possible restrictions on the tradability of the said units;

- the nature and frequency of information to be provided to unitholders and to the public;
- the methods of amendment to the management regulations;

- the name or denomination of the first statutory auditor(s);
- the conditions and methods of substitution of the management company, in particular due to withdrawal of authorization from the latter in accordance with the provisions of this law;
- dissolution cases of the FCPR, without prejudice to the legal causes, as well as the liquidation conditions and the asset allocation procedures.

Article 19: The transfer of units of an FCPR is possible from the time of their subscription, except where otherwise provided for by the management regulation.

When the units have not been fully paid up, the subscriber and the successive transferees shall be jointly and severally liable for the unpaid amount thereof. If the unitholder fails to pay the amounts remaining to be paid on of the amount of the units held within the time frames set by the management regulations, the management company sends them a formal notice. One month after this formal notice, and if the said notice remains without effect, the management company may proceed, without prior legal authorization, with the transfer of the said units. However, the subscriber or the transferee having sold their units are no longer jointly and severally liable for the payments not yet called by the management company, two years after the transfer of the value of the transferred units.

Section II: Venture Capital Companies

Article 20: SCRs are joint stock companies.

They are governed either by the provisions of law no. 17-95 relating to public limited companies or by the provisions of law no. 5-96 on partnerships, limited partnerships, partnerships limited by shares, limited liability companies and joint stock companies, subject to the special provisions of this law.

Article 21: An SCR may be constituted, where applicable, at the initiative of a promoter management company.

Article 22: By way of derogation from the provisions of law no. 17-95 on public limited companies:

- the shares representing cash contributions issued by the SCRs are paid up on one or more occasions, at the initiative of the management company, within a period which may not exceed five years from the date of registration of the company in the trade register or of completion of the capital increase, with no obligation to pay up a minimum upon each subscription;
- SCRs may proceed with one or more capital increases by way of cash contributions reserved for one or more non-shareholders, without the need to pay up all the capital already subscribed beforehand.

Article 23: Any company already constituted on the date of entry into force of this law, and wishing to acquire the status of SCR must carry out the following acts:

- the alignment of its bylaws with the provisions of this law and the fulfillment of the legal publicity of the statutory amendments in accordance with the legislation in force;
- the conclusion of a management mandate with a duly authorized management company;
- the submission of the information document provided for in article 13 above to the CDVM.

Article 24: All information documents that regard the SCR are drawn up under the responsibility of its directors. The SCR may delegate the task of preparing them to the management company that manages it.

TITLE III

OPCR Management Companies

Article 25: Only legal entities meeting the following conditions can perform the function of OPCR management companies:

- having the exclusive purpose of promoting and managing one or more OPCR as well as their related operations;
- having a fully paid-up share capital at the time of their constitution the amount of which cannot be less than one million (1,000,000) dirhams. It may be set at a higher amount by the administration, at the proposal of the CDVM;
- providing adequate guarantees, in particular as regards their organization, their technical and financial means as well as the professional skills necessary to enable them to effectively fulfil their missions;
- their managers must not be subject to the convictions referred to in article 42 of this law.

The aforementioned conditions must be maintained throughout the duration of performance by the management company of its OPCR management functions.

Article 26: Any OPCR management company must, before exercising its activity, obtain the approval of the administration, after consulting the CDVM.

The terms of the grant or refusal of authorization are set by the administration.

The application for authorization must be sent to the CDVM by the founders of the company for the purposes of investigation. It must be accompanied by a dossier containing the information whose list is set by the CDVM, including, in particular:

- a copy of the draft bylaws;
- the amount and breakdown of the share capital;
- the identity of the managers and shareholders, as well as the presentation of their professional experience;
- the description of the intended organization for the exercise of their activity.

The submission of the file is attested by a receipt duly dated and signed by the CDVM.

The CDVM may require applicants to provide any additional information it deems useful for the examination of the application for authorization.

The dossier is examined within a period that may not exceed two months from the submission of a complete dossier. The request for additional information suspends the said period.

The grant or refusal of authorization is notified by registered letter with acknowledgement of receipt.

The refusal of authorization must be justified.

Article 27: The management company manages the SCR under a management mandate concluded with the latter in accordance with the provisions of the legislation in force and this law.

The management mandate must include at least:

- the purpose of the mandate which must cover the venture capital activity as defined by this law;
- the identification of the SCR and the management company concerned;
- the terms of remuneration of the management company;
- the information procedures of the SCR relating to the exercise of the mandate;
- the duration of the mandate;
- the terms and conditions of termination of the management mandate in accordance with the legislation in force.

Without prejudice to the other obligations provided for by this law, the management company is an agent of the SCR and must therefore respect the provisions relating to the obligations of the agent, as provided for in title six of the second book of the Dahir of 9 Ramadan 1331 (12 August 1913) on the Code of Obligations and Contracts.

Article 28: The management company manages the OPCR in the exclusive interest of the unitholders and shareholders in accordance with the FCPR's management regulations or the management mandate binding it to the SCR, as well as the provisions of this law.

For this reason, and without the possibility of restricting its powers:

- it initiates the creation of the FCPRs and, where applicable, the SCRs it shall be called upon to manage;
- it draws up the management regulations of the FCPR jointly with the first subscribers;
- it invests the funds of the OPCR that it manages in accordance with the investment policy of OPCR's provided for by this law, and in accordance with the relevant statements provided for in the information document referred to in article 13 above;
- it represents FCPRs with respect to third parties and may initiate legal proceedings to defend or assert the rights and interests of unitholders and shareholders;
- it keeps, by way of derogation from the provisions of law no. 9-88 on the accounting obligations of traders, the accounting of the OPCR's that it manages according to the accounting rules proposed by the national accountancy council and approved by the minister of finances;
- it exercises all the rights inherent or attached to the securities comprising the assets of the OPCR;

- it places the available liquid assets of the OPCRs in accordance with the terms provided for by the articles of association of the SCRs and the management regulations of the FCPR and in accordance with the provisions of this law;
- it may not use the assets of the OPCR for its own needs.

The management company may manage multiple OPCRs. An OPCR shall be managed by a single management company.

Article 29: Amendments affecting one of the terms under which the management company's authorization was granted as provided for in article 25 above, shall be subject to the grant of a new authorization which shall be issued under the terms and in the forms provided for in article 26 above.

Article 30: The CDVM draws up and updates the list of authorized OPCR management companies. At its own initiative, the initial list and the amendments thereto shall be published in the "Official Gazette".

Article 31: The OPCR management companies must state in all their certificates, invoices, announcements, publications or other documents, their corporate name, their capacity as an OPCR management company as well as the references of their authorization document.

Article 32: The withdrawal of authorization shall be made by the administration, on a proposal of the CDVM, in the following cases:

- when the management company no longer fulfils the conditions on the basis of which the authorization was granted to it, as provided for in article 25 above;
- as a disciplinary sanction in accordance with the provisions of article 43 of this law.

The withdrawal of authorization shall be made and notified under the same conditions and in the same forms as the granting of authorization and shall entail the deletion from the list of management companies referred to in article 30 of this law.

Article 33: In the event of the authorization withdrawal of the management company of an FCPR for any reason whatsoever, the latter is required to take all necessary measures to safeguard the interests of unitholders until a new management company is appointed.

In the absence of substitution by the management company, within three months of the date of termination of the initial management company's functions, the FCPR shall be automatically dissolved. In this case, the liquidation of the latter is carried out by a liquidator appointed by the CDVM, ex officio or at the request of any concerned party.

In the event of the authorization withdrawal of the management company of an SCR, for any reason whatsoever, a new duly authorized management company must be chosen without delay by each of the SCRs managed by the company which has lost its authorization.

To this end, the CDVM shall ensure that the general meeting of each of the SCRs managed is convened or, if necessary, shall request it to be convened so that the latter may appoint a new management company. As long as the replacement of the management company has not been carried out, the liability of the initial management company, or its directors in the event of its dissolution, remains engaged. The initial management company must take all necessary measures to safeguard the interests of the SCR.

Failing appointment of a new management company within a period of six (6) months from the date

of decision notice on authorization withdrawal or of decision of the SCR to terminate the management company's functions, the SCR shall be deemed not affiliated with a management company and consequently loses its capacity as an SCR.

Article 34: During the liquidation period of an OPCR management company, it shall remain subject to the control of the CDVM, which shall ensure that such liquidation is carried out in accordance with the law applicable to the said management company and its articles of association. The management company may only carry out the operations strictly necessary for its liquidation. It can only state that it is a management company of OPCR by stating that it is in liquidation. The CDVM shall ensure the appointment or appoint a liquidator of the concerned management company. It shall determine the date from which all the operations of the management company in question must cease.

TITLE IV
OPCR Control
Chapter one: Control by the Securities Ethics Council

Article 35: The CDVM shall exercise a permanent control over the OPCR and their management company in order to ensure their compliance with the legal and regulatory provisions applicable to them under this law.

The CDVM shall ensure the conditions, provided for in article 25 above, on which authorizations were issued to management companies continue to be satisfied.

The CDVM shall also ensure compliance or implementation by the OPCR and their management company:

- the prudential rules applicable to them as provided for in article 15 above;
- information disclosure obligations to unitholders of OPCR and the public;
- the investment policy as provided for in this law.

The CDVM shall also control that the OPCR and their management company comply with the provisions of the circulars provided for in article 4-2 of the Dahir no. 1-93-212 of 4 Rabii II 1414 (21 September 1993) aforementioned as amended or supplemented, which apply to them.

Article 36: The CDVM informs the OPCR shareholders and unitholders of irregularities committed by the management companies and which it observes during the performance of its monitoring duties.

Article 37: The CDVM shall draw up a list of the documents to be sent to it by an SCR or the management company of an OPCR, in order to enable it to carry out the monitoring function. It shall set the terms and conditions thereof.

The management companies must, in particular, submit to the CDVM an annual activity report of the OPCR they manage.

Chapter II: Statutory Auditing

Article 38: Any SCR and the management company of any FCPR it manages, is required to appoint a statutory auditor for three financial years.

However:

- the first statutory auditor is appointed in the articles of association or the management regulations for a period of one year;
- when the OPCR makes a public offering, the SCR, and the management company of the FCPR, are required to appoint two (2) statutory auditors.

The appointment of the statutory auditor(s) must have the prior approval of the CDVM.

The provisions of title VI of law no. 17-95 mentioned above are applicable to management companies, the statutory auditor(s) and unitholders of FCPRs to the extent that they are not inconsistent with the provisions of this law.

Article 39: The statutory auditor(s) shall, without delay, inform the CDVM of the irregularities and

inaccuracies they have identified during the performance of their duties.

Article 40: The incompatibilities with the functions of statutory auditor provided for in articles 161 and 162 of the aforementioned law no. 17-95 are applicable to the statutory auditor(s) of an OPCR towards the management company.

Article 41: The statutory auditor(s) shall appraise any contribution in kind and shall be responsible for preparing a report on this appraisal.

TITLE V

Prohibitions

Article 42: Subject to criminal penalties provided for in article 45 below, no one may be a founder, member of the Board of Directors, the Management Board, the Supervisory Board or manager of an SCR or an OPCR management company, nor control, administer, run, manage, have the signature power or represent in any capacity whatsoever, directly or through an intermediary, an SCR or an OPCR management company:

- if they have been irrevocably convicted of one of the offences that carry a punishment of imprisonment and provided for by the Dahir enacting law no. 1-93-211 of 4 Rabi II 1414 (21 September 1993) on the Stock Exchange, the Dahir enacting law no. 1-93-212 of 4 Rabi II 1414 (21 September 1993) on the Securities Ethics Council and the information required of legal entities making public offerings, as well as the Dahir enacting law no. 1-93-213 of 4 Rabi II 1414 (21 September 1993) on undertakings for collective investment in securities;
- if they have been irrevocably convicted of one of the offences provided for and punished by articles 334 to 391 and 505 to 574 of the Criminal Code;
- if they have been irrevocably convicted of one of the offences provided for and punished by article 384 of law no. 17-95 on public limited companies and article 107 of law no. 5-96 on general partnerships, limited partnerships, limited partnerships by shares, limited liability partnerships and joint ventures;
- if they have been irrevocably convicted of one of the offenses provided for and punishable by articles 721, 722 and 724 of the Commercial Code;
- if they have been convicted by a foreign court and has become res judicata, constituting under Moroccan law a conviction for one of the offences listed above.

TITLE VI

Sanctions

Article 43: Without prejudice to the criminal sanctions provided for in articles 44 to 46 below, the CDVM may impose disciplinary sanctions, such as formal notice, warning or reprimand, on the OPCR and their management companies not complying with the obligations provided for in articles 4, 5, 12, 13, 15, 37, 38 and 49 of this law.

When the disciplinary sanctions provided for above are of no effect, the CDVM may propose to the administration:

- to prevent or restrict carrying out some transactions by the management company of the OPCR or;
- to withdraw the authorization from the management company of the OPCR.

Article 44: Any person who, acting on his own behalf or on behalf of others, improperly uses a trade name, a company name, an announcement and, generally, any expression suggesting that they are authorized as a management company of OPCR, or knowingly leads to confusion in the public's mind as to the lawfulness of exercising of his activity, shall be punished by imprisonment of three months to one year and a fine of 5,000 to 100,000 dirhams, or only one of these sanctions.

In this case, the court orders the closure of the institution of the person responsible for the offense committed. It also orders the publication of the judgment in the newspapers it specifies, at the expense of the convicted person.

Article 45: Anyone who violates the prohibitions shall be punished by imprisonment from 3 months to one year and a fine of 50,000 to 500,000 dirhams or only one of these penalties provided for in article 42 above.

Article 46: The members of the administrative, executive and management bodies and the staff of the management company and the SCRs shall be bound by professional secrecy in respect of any matter of which they are required to deal in any capacity whatsoever, under penalty of the sanctions provided for in article 446 of the Criminal Code.

Article 47: The CDVM shall refer to the competent King's Attorney regarding any offences under the provisions of this law that it has detected or of which it has become aware.

TITLE VII

Miscellaneous and Transitional Provisions

Article 48: The OPCRs are subject to the payment of an annual commission to the CDVM. This commission is calculated based on the net assets of the OPCRs, in accordance with the procedures specified by the administration, on the proposal of the CDVM. The rate of this commission is set at the rate of one per thousand.

Failure to pay the commission within the prescribed time limits shall result in the application of a surcharge. The rate of the increase may not exceed a maximum of 2 per cent (2%) per month or fraction of a month of delay calculated on the amount of commission payable. The rate and terms of payment of the commission, as well as the rate of the increase, are set by the administration, on a proposal from the CDVM.

Article 49: Any duly authorized OPCR management company is required to join a professional association called "Moroccan Association of Equity Investors", abbreviated to "AMIC", governed by the current legal provisions on the right to association.

Article 50: The articles of incorporation of the association referred to in article 49 above, as well as any amendment thereto, must be approved by the administration, after consulting the CDVM.

Article 51: AMIC monitors and raises awareness among its members on compliance with the legal and regulatory provisions applicable to them.

It must bring to the attention of the administration and the CDVM any failure of which it is aware in this aspect.

AMIC studies issues related to the practice of the profession, including the improvement of venture capital techniques, the creation of common services, staff training and relations with employee representatives.

It is entitled to take legal action when it considers that the interests of the profession are at stake.

Article 52: For matters concerning the profession, AMIC acts as an intermediary between its members on the one hand and the public authorities or any national or foreign body on the other hand and this, excluding any other group, association or union.

AMIC may be consulted by the administration or the CDVM on any matter concerning the profession. It may also submit proposals to them in this aspect.

Article 53: Companies wishing to manage OPCRs, as governed by this law, have a period of one (1) year from the date of entry into force of this law to apply for authorization in accordance with the provisions of this law.

Article 54: The CDVM shall send to the administration a copy of the annual activity report of the OPCRs sent to it by their management company, as provided for in the 2nd paragraph of article 37 above.

Article 55: The provisions of articles 1 and 31 of the law no. 53-00 establishing the charter for small and medium-sized businesses are amended as follows:

"Article one. - For the purposes of this law, small and medium-sized businesses are defined as This threshold may be exceeded if the company is owned by:

- collective investment funds.....;
- of capital investment companies,.....;

- venture capital investment bodies, as defined in article 31 below;
(The rest not amended.)

Article 56: Articles 32 to 36 of the above-mentioned law no. 53-00 are repealed (law forming the SMB charter of 23/07/2002).

O.G no. 5404 du 16-03-2006 Page 498.