PURPOSE®

Veto-Share Costs of the Purpose Foundation

If you would like the Purpose Foundation to safeguard the principles of steward-ownership in your company as a controlling shareholder, two costs will be incurred:

1. **Veto-Share Check**

Equipped with the open source materials and an in-house lawyer, you can go most of the way on your own. The process and the creation of the statutes in steward-ownership is up to you - the activities of the Purpose Foundation are kept to a minimum and are limited to checking whether the solution you have developed complies with the principles of steward-ownership before accepting the veto share.
To be able to take the first step in this veto-share check, we need the statutes you have drawn up. As a second step, we need documents from you to check the value of the shares. The prices vary depending on whether you are founding your company in or converting it to steward-ownership, as the complexity usually increases with older companies.

Fixed price for newly founded companies (net): *1.400 Euro add. VAT, travel expenses and other expenses*
Fixed price for the transformation of an existing company (Revenue < 1 MIO €) (net): *1.600 Euro add. VAT, travel expenses and other expenses*
Fixed price for the transformation of an existing company (Revenue > 1 MIO €) (net): *1.800 Euro add. VAT, travel expenses and other expenses*
Invoicing: *After the transformation*
Service: *The package includes two feedback-loops regarding the statutes, suggestions for changes and the representation of the Purpose Foundation at the notary appointment for incorporation. The notary costs are covered by the company itself. Should the effort significantly exceed this and further feedback-loops be necessary, we will adjust the price accordingly in consultation with you, based on a daily rate of 1.000 Euro (net) for newly founded companies and 1.500 Euro (net) for transformation cases.*

If the above costs are not affordable for you, please contact us and we will try to find a solution together.

2. Veto-Share Model

To fulfill our role as a responsible controlling shareholder effectively, it is essential to have a well-equipped administration with the necessary resources. This involves the inspection and verification of every shareholder meeting invitation, corresponding resolutions, and annual financial statements to ensure adherence to purpose principles and informs our decision on whether to exercise our veto rights. Without this work and the necessary resources, we cannot be a responsible controlling company. To fulfill this responsibility, we seek compensation for our expenses. Here, too, we are following our desire to help both financially strong and not yet profitable companies. All profits made in the course of this work benefit the charitable work of the Purpose Foundation.

Orientation points

The following annual fees in the form of a fixed amount dividend for holding the veto share provide orientation. The amount of the fee is based on the company's revenue. We have defined the following categories in cooperation with companies:

Revenue < 500.000 €: 500 Euro
Revenue > 500.000 €*: starting at* ***750 Euro***
Revenue > 1 MIO €*: starting at* ***1000 Euro***
Revenue > 3 MIO €*: starting at* ***2.000 Euro***
Revenue > 6 MIO €*: starting at* ***4.000 Euro***
Revenue > 10 MIO €: *starting at* ***5.000 Euro***
Revenue > 30 MIO €: *starting at* ***10.000 Euro***

The fixed amount dividends are only due for payment in the event of a net profit for the year; in the event of a net loss for the year, they are deferred and due cumulatively in the next year's net profit.

If you have any questions or require further information, please contact vetoshare@purpose.ag.