

# Information note relating to the offer of "cooperative shares"

This document was drawn up by Stanislas d'Herbement, administrator of brupower cooperative.

This document is not a prospectus and has not been verified or approved by the authority of the services and financial markets. This information notice is correct as of 14/11/2022.

## Warning:

The investor runs the risk of losing all or part of his investment and/or of not obtaining the expected return. Cooperator shares are not listed: the investor may experience great difficulty in selling his position.

## Part I: Main risks specific to the issuer and the investment instruments offered, specific to the offer in question

The issuer indicates the following risks:

Credit risk :	<p>brupower would like to point out to the public that investments in shares are never without risk. The investors must take into account a total loss in their investment decision.</p> <p>However, the co-operators' liability is strictly limited to the amount of their investment and they are not liable for the co-operative's debts. In other words, their maximum risk is a total loss of their investment.</p> <p>On the other hand, the board of directors always ensures a reasonable analysis of the projects in order to limit investment risks as much as possible.</p>
Liquidity risk :	<p><b>Capital structure cooperative society</b></p> <p>A cooperative society has a fixed and a variable part of its capital. The fixed part is laid down in the articles of association and can only be changed through a notarial amendment to the articles of association. The variable part fluctuates and can be changed without amendment of the articles of association and without notarial approval. The entry and exit of cooperants influences its quantity. This gives the cooperative the necessary flexibility, but there is a risk that, if a large number of shareholders want to withdraw at the same time, brupower does not have sufficient liquid assets at that time to pay for these shares without harming the business operations. In this case, the refunding of shares will be temporarily postponed.</p>

	<p><b>Guarantees</b> brupower shares are not eligible for the <u>guarantee of the Protection Fund for Deposits and Financial Instruments</u>.</p> <p><b>Risks associated with the dividend guarantee</b> The annual general meeting of brupower decides by vote on the amount of the dividends paid, these cannot be guaranteed in advance.</p>
<p>Risks specific to the issuer – operational and commercial:</p>	<p><b>Geographic risk</b> brupower will focus on the realization of projects in the Brussels-Capital Region. However, this entails the risk that the activities are subject to local laws, regulations and energy policies of the federal or Brussels regional governments, which may differ from and may be more disadvantageous than laws, regulations and energy policies in other states or federal states. However, the overall European framework, including European Union directives, is favorable for energy communities in the long-term.</p> <p><b>Risks related to (changing) laws and regulations</b> The legislation and regulations and the energy policy drawn up by the federal or Brussels authorities provide guidelines for the cooperative's investments and for the calculation of the profitability of the projects. This entails the risk that changes in local legislation and regulations and energy policy can have major consequences for the profitability of the projects.</p> <p><b>Specific risks for the renewable energy sector</b> There is a risk that:</p> <ul style="list-style-type: none"> <li>• technical problems limit power production;</li> <li>• during the duration of a project the sun shines less than expected;</li> <li>• the power requirement of the customer is incorrectly estimated or changes</li> <li>• the customer or buyer goes bankrupt or does not pay or pays too late</li> <li>• the market prices of electricity not purchased by the customer and offered to a third party fall further than estimated;</li> <li>• changing administrative procedures slow down project start-up</li> <li>• the buyer's decisions are delayed and a project is delayed;</li> <li>• building and operating permits are not obtained on time or at all</li> <li>• changes in the legislation and regulations of the energy market</li> <li>• the regulations on green certificates and other benefits are changing.</li> <li>• Delay of the technical installation leads to a delay in energy production and thus in revenue generation</li> </ul>

	<p><b>Risks of volunteering</b> brupower relies on an extensive and diverse group of volunteers with useful knowledge (technique, business management, etc.), which is part of brupower's strength. Because these sympathizers volunteer, brupower depends on their availability, commitment, knowledge and experience. This can lead to certain risks such as delayed decisions, wrong or sub-optimal decisions. brupower also calls on (paid) experts when specific expertise is required. brupower will also rely on employees to carry out part of its activities.</p> <p><b>Risk spreading in the project portfolio</b> Since the cooperative was founded in 2022, no projects have yet been completed. As more projects emerge, the risks of a project that might go wrong becomes better spread across the entire project portfolio. We limit such risks through analysis prior to starting of and continuous follow-up during the project.</p> <p><b>Project duration risks</b> Many projects and contracts run over several years, up to more than 20 years. Although an analysis is always made for all these projects in which the profitability is examined, the long duration creates some uncertainty and a period of pre-financing by brupower. This pre-financing is mainly done with the members' capital. brupower is therefore not subject to interest rate fluctuations, but is dependent on the (continued) willingness of the members to (continue to) support our projects. In this regard, the minimum duration of more than 6 years upon entry offers the necessary guarantees for a longer time horizon of insured financing, and the possibility of making projects profitable.</p> <p><b>Risks related to rising interest rates and inflation</b> The contracts with customers are long-term contracts. These prices are based on the investments and costs in the project. As a result, brupower limits the risks if interest rates and/or inflation rise. However, there is a risk that (potential) members will receive a better remuneration elsewhere than a dividend that is legally limited to a maximum of 6%. A capital gain on the share is also excluded. As a result, a share of brupower may appear less attractive in times of rising interest rates, inflation and/or rising equity markets. brupower therefore also appeals to the creation of local added value and sustainable customer relationships to ensure the continued support of cooperative members.</p> <p><b>Risks associated with insufficient fundraising, resulting in project development being halted</b> Insufficient fundraising leading to the abandonment of the ongoing project, delaying revenue</p>
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Risks specific to the issuer - linked to grants:	brupower may not receive the subsidies for which it has submitted a proposal. This in turn may have consequences for the cooperative's financial model.
Risks specific to the issuer – good governance:	<u>Members have the right to withdraw only during the first six months of the financial year.</u> This means that a request for withdrawal of a member in the second half of the budget year will not be followed up until the following budget year. <u>In addition, a full or partial withdrawal is only possible in the sixth year after accession at the earliest.</u> Withdrawal or withdrawal of shares is only permitted insofar as this does not lead to a reduction of the net assets to an amount that is lower than the fixed part determined in the articles of association, or if this would lead to the liquidation of the company, its existence jeopardized by a solvency or liquidity problem, or if the number of members is reduced to less than three. <u>Acquiring shares in brupower is therefore not advisable for those who need these financial resources in the short term.</u> Even in the event of withdrawal after the expiry of the aforementioned six years, a period must be taken into account between the (timely) request for withdrawal and the actual return of the equivalent value of your share.
Other risks :	The shares of the cooperative company have a fixed issue price of EUR 50 under the articles of association, which is not indexed. The shares do not entitle to accrued reserves. The retiring, excluded or retiring member is entitled to the equivalent value of his shares, as shown in the approved balance sheet of the financial year in which the membership ends, but always with a maximum of the nominal value.

**Part II: Information regarding the issuer and the provider of the investment instruments.**

A. Identity of the issuer :

Operation Headquarters and Country of Origin	Anderlecht, Brussels Region, Belgium
The form legal	Cooperative association
Enterprise number	0787.241.013
Website	<a href="http://www.brupower.be">www.brupower.be</a>
Issuer activities	brupower focuses on 4 activities: 1- the production of renewable energy, in particular photovoltaic energy, 2- the supply of this production to the members of the cooperative, 3- the sharing of energy and finally 4- the participation, together with the citizens of Brussels, discussing the rational use of energy. The electricity produced for brupower projects is therefore optimally consumed locally or sold to other Belgian citizen energy cooperatives.

<p>Identity of people with more than 5% of the capital of the issuer.</p>	<p>NA</p>
<p>Ultimate business concluded between the issuer and the persons referred to in the previous point and/or persons linked others than shareholders.</p>	<p>NA</p>
<p>Identity of the members of the legal entity directors of the issuer.</p>	<p>The company is managed by a board of directors consisting of 5 members (4 directors and a chairman) elected by the general meeting. The president is elected for a term of 6 years. Directors are elected for a term of 6 years. The current board consists of:</p> <ul style="list-style-type: none"> <li>• Lionel Delchambre : President since 30/05/2022. Lives in Molenbeek - born in Brussels. Lionel is an electrical engineer specializing in environmental projects. He has 3-4 years of experience in developing renewable production and storage projects for the CLEF cooperative in Wallonia. He is currently working on a PhD on the impact of electrification in different sectors (mobility, transport, etc.).</li> <li>• Jan Spriet : Member of the governing body since 30/05/2022. Lives in Saint-Gilles, born in Brussels. Jan has a master's degree in electromechanics and a PhD in environmental engineering. Jan did 7 years of academic research in the energy sector, worked on thermal networks and water wastage. He currently holds a position at Brussels Environment in energy efficiency and the permits department.</li> <li>• Chloe Verlinden : Member of the Governing Body since 30/05/2022. Lives in Ixelles, born in Brussels. Chloé is an urban social geographer and her research has focused on energy democracy and the governance dimensions of the urban energy transition in Brussels. She works as a project manager for La Pile - City Mine(d) (non-profit organization in Brussels) and supports citizen groups in developing energy communities.</li> <li>• Sebastien Mouthy: Member of the Governing Body since 30/05/2022. Lives in Anderlecht, born in Brussels. Sébastien has a master's and a PhD in engineering and computer science. Sébastien has spent more than 10 years applying algorithmic approaches and artificial intelligence to the energy sector (market clearing, flexibility optimization, settlement, ...) and other industrial sectors. Currently, Sébastien provides consulting expertise in energy and focuses more on the heating side of energy challenges.</li> </ul>

	<ul style="list-style-type: none"> <li>Stanislas d'Herbemont. Member of the governing body since 30/05/2022. Lives in Molenbeek-Saint-Jean, born in Paris 14. Stanislas holds two masters degrees in finance and administration from ESCE in Paris and FH Mainz in Germany. He joined REScoop.eu in 2016, where he is now responsible for managing European projects and the general development of the association.</li> </ul>
Identity of the members of the management committee	NA
Identity of day-to-day management delegates	NA
Total amount of compensation for administrators and/or delegate(s) for day-to-day management of the past financial year accounting and total amount paid by the issuer for the purpose of: payment of pensions or other benefits.	The board of directors exercises its mandate on a voluntary basis, no financial compensation of any kind is foreseen.
With regard to the persons referred to in the previous section, mention any conviction referred to in Article 20 of the Act of 25 April 2014 on the status and supervision of credit institutions and listed companies.	NA
Description of conflicts of interest between the issuer and the persons referred to in points 3 and 5, or with other related parties.	NA
Auditor's identity.	NA. To date, no auditor has been assigned by the General Assembly. The accounts are prepared annually by the accounting office of CHAF SC, whose headquarters is located in Saint-Gilles (municipality of Brussels Region)

## Part III: Information regarding the offer of investment instruments

### A. Description of the offer

Minimum amount of the offer	NA
Minimum amount per investor	1 share of 50 euros
Maximum amount per investor	400 shares, or EUR 20,000. The offered shares have a nominal value of 50 euros per share. These shares provide one single voting right per shareholder, regardless of the number of shares they hold. A shareholder can subscribe to a maximum of 5% of the cooperative's share capital or a maximum of € 20,000 -

	whichever is lower. This maximum of 5% is calculated for this offer - based on the fundraising objective and adjusted for the total amount to be outsourced.
Total amount of investment instruments offered	€400,000
Offer opening date	The offer is open on the date 11/18/2022.
Closing date of the offer	The offer is open until 15 November 2023. It can be closed prematurely if the aforementioned total amount has been reached.
Date of issue of the offered instruments	No specific date, depending on demand from new members wanting to join.
Voting rights attached to shares	Each investor is granted <u>1 voting right, regardless of the number of shares he/she owns.</u>
Method of composition of the governing body	The governing body, consisting of 5 members (4 directors and a chairman) elected by the general meeting. The president is elected for a term of 6 years. Directors are elected for a term of 6 years. The chairman is elected from among the members of the General Assembly in accordance with the modalities of an election without a candidate. The administrators are elected from among the members of the General Assembly according to the modalities of election by secret ballot and simple majority.
Fees to be paid by the investor	None, neither on entry to the capital nor on exit.

**B. Reasons for the offer**

Planned use of collected amount	This offer aims to increase the brupower cooperative's equity - with the ultimate aim of investing in projects that align with the cooperative's objectives. The offer of shares serves to increase the capital of the cooperative, with the intention of investing in economically profitable projects in line with the aforementioned statutory objectives. No profit margins or returns are mentioned in this information note, these are project dependent. All registered projects are profitable. brupower intends to distribute a fair share of the profit - when there is one - in the form of a dividend. If the Board of Directors considers that the available capital is sufficient for the investments in the near future, it may decide to temporarily or permanently discontinue the offering of shares. The number of shares issued and the timing depend on the realization of the projects.
Details of the investment or project that the offer wants to realize	brupower is preparing investments in photovoltaic projects on roofs. Our goal is to install 1.5 MWp of photovoltaic panels in the Brussels region of the Brussels-Capital Region by 2025. Our goal for 2023 is to raise 400,000 euros of citizen capital and invest this in projects representing 375 kWp of production.

	According to our financial plan, Brupower will invest in projects that generate an average annual return of 6%.
Other sources of financing for realizing the investment or project under consideration	Brupower has submitted several financing applications to the Brussels Region and the King Baudouin Foundation. If these projects are successful, they could provide the cooperative with 100,000 euros in subsidies by 2023.
For more information, consult the website <a href="http://www.brupower.be">www.brupower.be</a>	

## Part IV: Information on the investment instruments offered

### A. Features of the investment instruments offered

Nature and category of instruments of placement.	Shares in the brupower cooperative
Currency of investment instruments.	Euro
Designation of the instruments of placement.	<p>The investment instruments offered concerns the 'share' type.</p> <p>They therefore represent a property right to a fraction of the company's capital. This means that by purchasing a share, one becomes a member of the cooperative company brupower.</p> <p>The investor who acquires one or more shares in the current offer becomes a cooperative if this was not already the case, the investment is added to the equity of the cooperative. Shares do not have an ISIN code or equivalent code.</p> <p>Shares are personal, indivisible and non-transferable. They are stored electronically in the register of brupower associates at the registered office of the company.</p> <p>Shares are type A. brupower has only one type of share that gives access to voting rights and director positions.</p>
Nominal value of the investment instruments placed.	50 euros
Book value of share	50 euros
Risk of fluctuation in the price of the security:	The share will be repaid to the cooperant at its book value is less than 50 euros, otherwise at 50 euros.
Expiry date and/or terms of compensation.	<p>brupower shareholders can request the repayment of their shares. The request for reimbursement must be addressed to the Board of Directors within the first 6 months of the financial year. The Board of Directors reserves the right to refuse such repayment if it would conflict with the double test of distribution and solvency (see article 13 of the articles of association).</p> <p>The withdrawing shareholder will be reimbursed his invested capital according to the share price determined after the year-end close of the year in which he submitted his withdrawal request.</p>
Priority of investment instruments in the capital structure of the issuer in case of insolvency.	The bank creditors have priority in the payment, subordinated loans have the following rank. The co-operator's share has the same (last) rank as a company's share.



Possible restrictions on free transfer of investment instruments.	Shares in brupower are indivisible and non-transferable. Brupower shareholders can request the repayment of their shares. These shares can be transferred to the cooperative itself or to another person. The transfer of shares can only take place 6 years after the shareholder has bought them. The cooperative reserves a right of pre-emption for its members.
If applicable, the annual interest rate, or the method of determining the interest rate if it is not fixed.	NA
Dividend Policy	the dividend has been determined by the Ordinary General Meeting of members and is limited to 6%. Every year, the brupower board of directors proposes a dividend to the brupower general meeting, depending on the result of the year. brupower aims to pay out an annual (non-guaranteed) dividend of 2 % gross.
Date of interest payment or distribution of the dividend.	The payment of dividends will be made before December 31 of the year in which the ordinary general meeting has approved the payment. If for whatever reason the payment cannot be made (account closed, account number (IBAN) incorrect or unknown), the amount obtained is of course not lost to the cooperative. This payment will be held in the cooperative's current account and will be paid as soon as the necessary information is received.

## Part V: Other important information

Tax summary :	Tax treatment of dividends after December 31, 2017: For individuals who own shares in recognized cooperatives or other companies, dividends are partially exempt from income tax. This exemption is limited per declaration to the first 800 euros (financial year 2021, income 2020) in dividends received. The cooperative companies are obliged to withhold the withholding tax (1st application after the general and meeting in May 2018 for dividends related to the 2017 financial year) and to remit it to the federal tax authorities. For natural persons, the withholding tax levied in this way is reclaimable via the personal income tax return.
Investment horizon	An investment in a stock should be considered for a certain maturity and is not comparable to an investment in a savings account. This investment forms part of the financing and therefore of the installation or development of projects. The recommended investment horizon is therefore at least 6 years.
Complaints regarding the financial product	In case of a complaint, you can contact brupower resume: rue Bisse, 17/0029; 1070 Anderlecht

## brupower

	<p><a href="mailto:hello@brupower.be">hello@brupower.be</a></p> <p>If dissatisfied, you can contact the service consumer mediation : North Gate II King Albert II Boulevard 8 Box 1 in 1000 Brussels Phone: 02 702 52 20, Email: <a href="mailto:contact@mediationconsommateur.be">contact@mediationconsommateur.be</a></p>
Other information	<p>Bank account: IBAN BE15 1030 8126 2830 Website: <a href="http://www.brupower.be">www.brupower.be</a> Mail: <a href="mailto:hello@brupower.be">hello@brupower.be</a> Issuer statuts: blob:<a href="https://statuts.notaire.be/ca4f441b-298c-498e-97a8-f7941a6f9f04">https://statuts.notaire.be/ca4f441b-298c-498e-97a8-f7941a6f9f04</a></p>