



THE INDEPENDENT DIRECTOR

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**RECHTSANWALT * CONSULTANT * MANAGER AD INTERIM * INDEPENDENT
DIRECTOR**

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Being a director in Luxembourg: role¹

A director is part of a company's supervisory board (the "BOARD"), chosen by the company's shareholders to promote their interests through the governance of the company and to hire and supervise the executive directors.

In a one-tier board, all the directors (both executive as well as non-executive directors) form one BOARD. In a two-tier board there is an executive board (all executive directors) and a separate supervisory BOARD (all non-executive directors).

The role of a director of a Luxembourgish commercial company is widely defined by the Law of 10 August 1915 on commercial companies (as amended) (the **L1915**), i. e.

- Art. 50 to Art. 60bis L1915 for a Société Anonyme (S.A.) using a "one-tier-model",
- Art. 60bis-11 to Art. 60bis-16 L1915 for a Société Anonyme (S.A.) using a "two-tier-model",
- Art. 191 – Art. 192 L1915 for a Société à responsabilité limitée (S.à r.l.),
- Art. 200 L1915 for a Société à responsabilité limitée (S.à r.l.) with more than 60 members or a respective regulation in the relevant company's articles of association.

On a second level, the role of a director is normally described in more detail in the company's articles of association.

Finally, the company and the director may regulate additional details in a "Directorship Agreement".

¹ For more information on the role of a director, please refer to the website of the "Institut Luxembourgeois des Administrateurs" ("ILA"): www.ila.lu.

Director: responsibilities

According to the L1915, the duties of the BOARD (and normally the director as part thereof) include:

Duty (D.)	Meaning
Fiduciary D.	<ul style="list-style-type: none">– duty to manage/to supervise the company's business in good faith, with reasonable care, in a competent, prudent and active manner– Duty to act in the best corporate interest of the company
Confidentiality	<ul style="list-style-type: none">– maintain due confidentiality concerning all information received as a director
Regulatory D.	<ul style="list-style-type: none">– duty to comply with the L1915– duty to comply with the company's articles of association

More specifically, a director as a member of the BOARD has to ...

- establish the stand-alone and consolidated accounts and consolidated management reports, for submission to the general meeting of shareholders;
- convene the annual general meeting of shareholders on the date provided in the articles of association or a general meeting of shareholders on request of shareholders representing 10% of the share capital;
- report any transaction approved by the BOARD where a director had a personal conflict of interest.

Why appoint Dr. Malzer as an independent director?

Experience

- >19 years of professional experience, whereof
- >13 years in the Luxembourgish financial sector
- >7 years in leading positions

Knowledge

- Legal & regulatory
- Compliance & Governance
- Industry knowledge of banks, investment firms, the fund industry, private equity & real estate

Personality

- Analyst & problem solver
- Organiser & decision maker
- Purposeful & persistent
- Creative & communicative
- Independent thinker



Ideal Independent Director for your small & mid-sized, Luxembourg-based company

This is interesting for you, if ...

Type

...You are a non-listed commercial company in Luxembourg

Size

... You are small & mid-sized in terms of workforce (0 - 250 FTE¹) and activities²

Need

... You are looking for a dedicated independent director in order to fulfill the legal requirements of the L1915

¹ FTE = Full-time equivalent

² “small in activities” = less than 10.000 entries in the general ledger per year.