

Statutes

A. Name - Registered Office - Object – Duration

Art. 1. The name of the non-profit organization shall be "Institute for Financial Integrity and Sustainability a.s.b.l." hereinafter called the "a.s.b.l.".

The abbreviation of the a.s.b.l. is IFIS.

Art. 2. The registered office of the a.s.b.l. is established in L-2160 Luxembourg, 5-7, rue Munster, Grand Duchy of Luxembourg.

Art. 3. The a.s.b.l. is established for an unlimited duration.

Art. 4. Absence of ethical conduct with practices failing to apply financial integrity impacts the financial sector negatively and jeopardizes the reputation of both countries and players of the financial markets. IFIS believes that the long-term profitability, sustainability and social utility and public acceptance of the role of the financial market-players can best be served by open and active debate of the issues of integrity.

The vocation of the a.s.b.l. is to promote professional excellence, sustainability, ethics and integrity relative to the financial sector. Its focus is on corporate governance, financial market integrity, institutional responsibility to financial market stakeholders, including investor and customer protection, and sustainability. Its core purpose is to develop and sustain trust in the financial sector through the encouragement of responsible business practices in the best interests of the financial industry and society-at-large.

The a.s.b.l. shall engage in actions and activities with its members and partners in the following areas to

- promote research and collaboration with professional associations, authorities and education bodies in Luxembourg and beyond,
- promote evolution of good practices and ethical standards in financial markets,
- seek to serve as a consultative body to government, legislatures and supranational organizations on matters pertaining to financial stability, regulatory oversight and the protection of customers and investors in financial markets, and
- organize events for learning, open and constructive dialogue, and the sharing of knowledge and best practices, amongst all stakeholders of the financial sector; raising awareness of integrity and sustainability at large.

The a.s.b.l. may otherwise carry out any operation which it may deem useful in the accomplishment of its vision and mission, remaining always, however, within the limits established by the law of 21 April 1928 on non-profit organizations and foundations, as amended subsequently (the "Law").

B. Membership

Art. 5. The number of the members of the a.s.b.l. is unlimited. It cannot be less than three.

The a.s.b.l. is composed of:

- Individual Members (the "Individual Members"),
- Corporate Members (the "Corporate Members"),
- Honorary Members (the "Honorary Members").

Art. 6. Members are typically qualified professionals, financial services providers, and services providers to the financial industry. Trade and professional associations, as well as academia and other research bodies may join the a.s.b.l.

Members commit to abide by the highest standards of ethics and integrity and to assist and support the a.s.b.l. in the accomplishment of its actions and activities.

Art. 7. Member categories have different levels of financial commitment. Membership fees shall not exceed 5.000 EUR, regardless of any member category.

Individual Members are qualified professionals representing themselves.

Corporate Members are firms and organizations having designated representatives who coordinate the contributions of the member to the actions and activities of the a.s.b.l. Corporate Members may delegate up to eight individual representatives to the events and activities organized by the a.s.b.l.

Individual and Corporate Members may refer to their membership on their electronic and printed communications.

At both Board of Directors and General Meeting level, Individual Members and Corporate Members have one voting right.

Art. 8. Honorary Members are persons recognized for their commitment to ethics and integrity and to the mission and purpose of the a.s.b.l.

They pay no membership dues.

They do not have any voting rights. Honorary Members may opt to become Individual, or Corporate Members including the corresponding rights and obligations.

Art. 9. The Board of Directors has final decision-making power over all membership requests. A denied application does not need to be substantiated.

Art. 10. Any Member who jeopardizes the interests of the a.s.b.l. or who fails to meet his due obligations or who fails to pay his membership dues within three months of the date of invoice of such dues may be excluded.

Art. 11. The exclusion of a Member may only be decided under the cases prescribed by the statutes by the General Meeting under a two third majority.

The Member resigning or being excluded retains no right on the assets of the a.s.b.l. and cannot claim back any fees paid.

C. The Board of Directors

Art. 12. The Board of Directors is composed of Members and has responsibility for the overall management and oversight of the a.s.b.l., acting in the best interests of the a.s.b.l. and the general interests of its members and other stakeholders. The number of the Directors to serve on the Board shall be fixed by the General Meeting.

The members of the Board of Directors shall be elected and removed at any time with or without cause by the General Meeting at a simple majority of votes validly cast in accordance with the voting rights .

To be eligible for appointment to the Board, the names of the candidates, with written confirmation of acceptance by such candidates, must reach the a.s.b.l.'s registered offices at least one day before the date of the relevant General Meeting during which the Directors are elected.

The General Meeting shall appoint Board Members.

Art. 13. The Board of Directors shall elect its Chairperson among its members. The Board can also choose a Secretary and one Vice-Chairperson among its members. The Board can assign other duties to its various members.

Art. 14. The term of office of the Directors is four years. It starts on the first day after the General Meeting on which the appointment was decided and ends on the end of the day of the General Meeting of the fourth year during which the Annual Report and Financial Statements are approved. The mandate of a Board Director may be renewed several times. In case a Director's position becomes vacant due to death, resignation, retirement, the remaining Directors can elect a person of their choice to fill that vacancy and finish the mandate until the next General Meeting of Members which will either confirm or reject such appointment. In the event that a Board Director representing a Corporate Member resigns or in the event that a Corporate Member resigns from the association, then the Board mandate of the person representing such resigning Corporate Member shall also become vacant.

Art. 15. The Board of Directors shall meet at least on a quarterly basis. The Board of Directors shall meet when convened by the Chairperson or at the request of at least two Directors.

Decisions can be made validly only if the majority of Directors is present. If at a first meeting that quorum is not met, a second meeting may be called immediately and such decisions can be taken, whatever the quorum of presence if so indicated in the convening notice to initial meeting.

The Chairperson of the Board of Directors shall preside over the Board's meeting. In case he cannot attend, the chairman's functions are taken on by the (president of the executive committee) CEO or by the longest standing Director present at the current meeting.

Board Members are expected to participate in the majority of Board meetings convened with due notice.

Directors can be represented by other Directors in their absence. A Director can delegate his/her vote to another Director. Proxies cannot be more than two. At the meetings of the Board of Directors, in case of tie votes, the Chairperson shall cast the deciding vote. All decisions taken shall be registered in the official records, signed by two Directors.

Art. 16. The Board of Directors shall have the powers necessary to achieve the mission and purpose of the a.s.b.l. The Board is notably in charge of the organization of the a.s.b.l.'s administrative and financial management.

D. Authorised Signatures

Art. 17 The a.s.b.l. shall be validly committed only by the signature of two Directors, unless there is a special delegation.

The a.s.b.l. shall be validly committed in the daily management of the a.s.b.l. by the signature of the Chief Executive Director or the chairman of the executive committee, if any, according to arts. 20 et seq.

Art. 18. At the Annual General Meeting the Board of Directors shall submit its annual report together with the account of activities during the period.

E. Operation of the a.s.b.l.

Art. 19. The Board of Directors may delegate the daily management of the a.s.b.l. to one or more persons selected by the Board of Directors among its Members or among non-members. The term of the office of the person(s) acting as Chief Executive Director coincides with her/his mandate as Director and the appointment is renewable without limitation. If more than two Directors are selected as Executive Directors, an Executive Committee may be established if necessary.

Art. 20. The Executive Director(s) or the Executive Committee if any is in charge of the daily management of the a.s.b.l.

The daily management shall not be remunerated, except refunding of expenses occurred by the activity.

Art. 21. The Chief Executive Director or the Executive Committee, if any, shall be elected and removed at any time with or without cause by the Members of the Board of Directors with a two third majority.

Art. 22. The Board of Directors may create committees, having each a specific mission.

F. Accounting

Art. 23. The accounting year of the a.s.b.l. shall begin on July first of each year and shall terminate on June thirty of the following year.

Art. 24. A statutory auditor will be named at the general meeting to audit the accounts and activities of the a.s.b.l. for the following accounting year.

G. General Meeting, Modification of the statutes

Art. 25. A General Meeting shall be held at least once a year within six months as from the closing of the accounting year at a date to be fixed by the Board of Directors. The Members of the a.s.b.l. shall be called to the General Meetings by the Chairperson of the Board of Directors.

During the month following the Annual General Meeting, the list of the Members and any other legal obligations shall be completed and registered with the Luxembourg Trade and Companies Register.

General Meetings may also be called by the Chairperson or upon request from a fifth of the Members.

Each General Meeting shall be held at the day, time and place mentioned in the meeting call.

All Members may take part in the meeting. They may delegate their vote to another Member who would represent them; the delegation must be made in writing. The Board of Directors may invite non-members to attend the meeting.

If not otherwise decided by law or by statute the deliberations shall be valid no matter the number of Members present or represented and decisions shall be taken by simple majority of present or represented votes. In case of parity, the proposal is considered rejected.

Art. 26. A convening notice shall be sent to each Member at least one week before the General Meeting, except in the case of extreme urgency, and must indicate the agenda of all the items that will be discussed at the meeting.

The notice shall be in the form of mail delivered to the person or home, or of any other written means of communication. In case of e-mail delivery, the address indicated by the Member will be used.

Any proposal signed by a number of Members equal to one twentieth of the last Annual Meeting list shall be placed on the agenda.

Art. 27. A General Meeting must deliberate on:

- a) Any modification of the statutes,
- b) The election or the dismissal of Directors,
- c) The approval of budgets and accounts,
- d) The expulsion of Members, and
- e) The dissolution of the a.s.b.l.

Art. 28. A General Meeting shall deliberate only on the amendments of the statutes if that purpose is specifically indicated in the notice and if at the General Meeting two thirds of the Members having a voting right are present or represented.

Any modification shall be adopted by a two third majority of the Members having a voting right.

If two thirds of the Members having a voting right are not present or represented at the first meeting, a second meeting may be called immediately which will deliberate regardless the number of Members having a voting right present or represented, but in this case the decision shall be subject to ratification by the Civil Court.

However, if the modification concerns one of the purposes under which the a.s.b.l. was formed, the preceding rules are modified as follows:

- a) The second meeting will not be validly formed unless at least half of the members having a voting right are present or represented,
- b) The decision is not adopted in the first or the second meeting, unless it is voted upon by three quarters of the votes,
- c) If, in the second meeting, two thirds of the members having a voting right will not be present or represented, the decision shall be ratified by the civil court.

Art. 29. All modifications of the statutes must be published within thirty days in the Memorial.

Any election, dismissal or removal of Directors must be lodged with the Luxembourg Trade and Companies Register.

Art. 30. All the resolutions from General Meetings shall be lodged in reports which are signed by two Members.

A copy of these records shall be directed to all Members and shall be available at the a.s.b.l.'s registered office.

H. Use of assets in case of dissolution

Art. 31. In case of dissolution of the a.s.b.l., a General Meeting shall decide on the destination of assets and of the terms of liquidation.

I. Miscellaneous

Art. 32. Anything that is not explicitly prescribed in the present statutes is governed by the Law.

The present restated statutes are worded in English.