

**Constitution of  
European Fund and Asset Management Association**

*[The official text is in French – English convenience translation for information purposes only]*

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## **TITLE I. NAME. LEGAL FORM. TERM. REGISTERED OFFICE**

### **Article 1. Name. Legal form. Term**

**1.1.** An international association has been set up. Its name shall be “European Fund and Asset Management Association” and its abbreviated title shall be “EFAMA”, hereinafter referred to as the “Association”.

**1.2.** The Association is an international non-profit association constituted for an indefinite period and governed by the rules laid down in Title III of the Belgian Law of June 27<sup>th</sup>, 1921 on non-profit associations, foundations, European political parties and European political foundations.

### **Article 2. Offices**

**2.1.** The registered office of the Association shall be situated in the Brussels-Capital Region. It is at present located at Rue Montoyer 47, 1000 Brussels. The precise location or its transfer within the Brussels-Capital Region must be decided by the Board of Directors.

**2.2.** The Association may establish offices in any country or place.

## **TITLE II. NON-PROFIT PURPOSE. ACTIVITIES**

### **Article 3. Non-profit purpose**

**3.1.** The Association is a non-profit organisation, organised as a federation and representing the interest of (i) the investment funds industry, and (ii) the asset management industry, both collectively referred to as the industry.

**3.2.** The non-profit purpose of international utility of the Association shall be:

- a. to promote optimal conditions for the European fund and asset management industry in its efforts to create value for investors;
- b. to influence and support the ongoing development of the regulatory environment including the European Single Market;
- c. to promote the interests of its Members among stakeholders;
- d. to build confidence and trust in the industry;
- e. to promote scientific research concerning the industry.

### **Article 4. Activities**

**4.1.** To that effect, the Association may develop, alone or in collaboration with third parties, directly or indirectly, all activities related, directly or indirectly, to its purpose. The Association may, in particular develop the following non exhaustively listed activities for the general or specific account of its Members and/or third parties:

- a. build confidence and trust in the industry by supporting the development of and adherence to high professional standards which recognise the interests of investors;

- b. provide an effective voice for the industry by developing and maintaining a strong reputation and relationships with key stakeholders;
- c. promote the professional interests of Members and provide services to enable Members to contribute to, and benefit from, the Association's work;
- d. promote the realisation of an effective European Single Market through engagement with the relevant European Union institutions and national authorities;
- e. represent the industry in European and international policy and regulatory discussions;
- f. promote and conduct research and data collection concerning the industry and act as a trusted source of data;
- g. disseminate information and issue publications;
- h. organize and arrange congresses, seminars, workshops, and other programs and convenings at international and national levels; and
- i. cooperate with and assist other initiatives and/or organisations having a purpose similar to the purpose of the Association, as well as other regional and/or international initiatives and/or organisations.

**4.2.** In addition, the Association may develop, support, incorporate, constitute, set up, be a member, participate to, and have interests in (including owning shares, stocks, bonds, warrants, options, participations and/or investments, etc.) any Belgian or foreign legal entity, commercial or not, not-for-profit or for-profit, private or public or semi-public, having the legal personality or not, having similar purposes and activities than the ones of the Association.

**4.3.** The activities of the Association can be of a commercial and profitable nature, provided always that these activities are carried out within the limits of what is legally allowed. The potential profits generated through these activities shall at all times and entirely be allocated to the realisation of the non-profit purpose of the Association.

**4.4.** The Association shall perform and develop its activities either in Belgium or abroad.

### **TITLE III. MEMBERS**

#### **Article 5. Membership**

**5.1.** The Association shall have three (3) membership categories: National Association Members, Corporate Members and Associate Members. The Association shall always consist of at least two (2) National Association Members.

**5.2.** All references in this Constitution to "Member" or "Members" without any other specification are references to National Association Members, Corporate Members and Associate Members collectively.

**5.3.** The rights and obligations of the Members shall be as defined in and pursuant to this Constitution.

#### **Article 6. National Association Members**

**6.1.** The category of National Association Membership is open and accessible to any legal entity:

- a. being duly constituted in accordance with the laws and practices of its country of origin, whether it has the legal personality or not;
- b. being a representative of the fund industry and/or the asset management industry of one of the Member States of the Council of Europe which includes:
  - i. having significant representativeness of the fund and asset management market in its respective Member State of the Council of Europe;
  - ii. if it represents investment funds, it shall, at least for a substantial part, represent investment funds being regulated by a specific law or regulation, which are:
    - publicly offered; and
    - repurchased or redeemed at net asset value at the unit holders' request; and
    - investing in transferable securities; and
    - operated on the principle of risk-spreading; and
    - entrusting their assets to a depositary;
  - iii. being a recognised body for dialogue with the relevant national authorities for at least three (3) years;
  - iv. having the capacity and willingness to:
    - regularly attend meetings of the Board of Directors and General Meeting;
    - report the quarterly statistical data requested by the Association, at least concerning the main categories;
    - contribute to surveys and consultations carried out by the Association; and
- c. being independent to provide the Association with opinions reflecting the specific interests of the national fund and asset management industry, including where this may conflict with the interests of other areas of the national financial industry.

**6.2.** National Association Members shall enjoy all membership rights, including voting rights.

**6.3.** Each Member State of the Council of Europe shall be represented by only one National Association Member.

## **Article 7. Corporate Members**

**7.1.** The category of Corporate Membership is open and accessible to any legal entity:

- a. being duly constituted in accordance with the laws and practices of its country of origin, whether it has the legal personality or not;
- b. being active in the fund and/or the asset management industry and qualifying as Undertaking for Collective Investment in Transferable Securities (UCITS), or Alternative Investment Funds (AIF) management company or under respective equivalent frameworks at national level; and

- c. being a full member of at least one National Association Member as described under Article 6.

**7.2.** Corporate Members shall enjoy all membership rights, including voting rights. Legal entities of a same legal entities group may not each become Corporate Members.

## **Article 8. Associate Members**

**8.1.** The category of Associate Membership is open and accessible to any legal entity:

- a. being duly constituted in accordance with the laws and practices of its country of origin, whether it has the legal personality or not;
- b. which does not meet the criteria set out under Article 6 and Article 7 to be eligible as a National Association Member or a Corporate Member;
- c. being a service provider or a stakeholder of the European investment fund and/or the asset management industry; and
- d. having developed a specific expertise in the European investment fund and/or the asset management industry that may be helpful to achieve the purpose of the Association.

**8.2.** Associate Members shall have the rights specifically granted to them in or pursuant to this Constitution. These rights shall not include voting rights nor the right to have their representatives appointed as directors. Associate Members shall have the right to attend one or more meeting(s) or part(s) of meetings of the General Meeting, the EFAMA Investment Management Forum and seminars on specific issues and other similar events and to receive the Association's regular statistics and similar information and reports. Legal entities of a same legal entities group may not each become Associate Members.

## **Article 9. Admission to membership**

**9.1.** Any applicant to membership of the Association shall submit an application for admission to membership via regular mail or any other means of written communication (including email) to the secretariat of the Association.

**9.2.** The secretariat of the Association shall verify if the application is complete and, if necessary, ask for further information and/or clarification. The secretariat of the Association may also conduct a due diligence check *in situ* of any new applicant to membership.

**9.3.** The complete application file including, as the case may be, an evaluation of the due diligence check, and the recommendation of the Director General on the application shall be submitted by the Director General to the Board of Directors.

**9.4.** The directors shall be informed of any application for membership at least twenty-one (21) calendar days before the meeting of the Board of Directors deciding on the admission to membership. Any director has the right to give an opinion or to raise objections against an applicant to membership at the latest seven (7) calendar days before the meeting of the Board of Directors deciding on the admission to membership.

**9.5.** The Board of Directors shall decide on the admission to membership. The decisions of the Board of Directors regarding membership admissions are final, sovereign and must be motivated. The

decisions of the Board of Directors regarding membership admission shall be communicated to the applicant to membership and the Members by the President within twenty-eight (28) calendar days after the decision regarding the admission to membership has been taken.

**9.6.** The detailed procedures for the admission to membership shall be determined in the Rules of Procedure.

#### **Article 10. Representation of Members**

**10.1.** Each Member shall appoint one natural person, called the “Representative”, to represent it within the Association. Each Representative must have full capacity powers to represent his/her Member.

**10.2.** Each Member shall appoint one natural person, called the “Delegate” to represent it within the Association, in case, the Representative is exceptionally unable or unwilling to represent his/her Member within the Association.

**10.3.** If a Representative or a Delegate ceases to be employed by or is no longer otherwise linked to the Member he/she is representing, (i) he/she shall as of right lose his/her capacity as Representative or Delegate (including any capacity to cast the vote of his/her Member, if any) and (ii) the said Member shall immediately replace this Representative or Delegate.

**10.4.** Each Member shall inform, via regular mail or any other means of written communication (including email), the Director General of the identity and, contact details of its Representative and Delegate.

#### **Article 11. Resignation. Exclusion**

**11.1.** Members are free to resign from the Association at all times by giving written notice via registered mail or via any other means of written communication (including email) with acknowledgment of receipt, at least three (3) months before 31 December of each year, to the Director General. The Director General shall inform the Board of Directors immediately. The resignation shall be effective at the end of the calendar year during which the Member gave notice of its resignation. The resigning Member retains all rights and benefits of membership for the residual period of the year in which it resigned unless it informs the Board of Directors via regular mail or any other means of written communication (including email) that it waives its rights as a Member.

**11.2.** A Member which (i) ceases to satisfy the definition of the membership category it belongs to as set out in Articles 6, 7 or 8, or (ii) is not duly or timely or fully complying with this Constitution, the Rules of Procedure, and/or any decision validly taken by the bodies of the Association, or (iii) does not pay all its membership contributions within the stated period, or (iv) infringes the interests of the Association, or (v) is in a situation of judicial administration, or bankruptcy, judicial reorganisation, dissolution or liquidation, or is subject to insolvency proceedings of a similar nature under the laws of any jurisdiction, or (vi) has substantially modified its activities, or (vii) for any other reasonable cause, may be excluded from membership, upon decision of the General Meeting.

**11.3.** Before recommending the exclusion of a Member to the General Meeting, the Board of Directors shall provide the concerned Member with the relevant details in writing via registered mail sixty (60) calendar days in advance of the proposed exclusion date. The concerned Member has then time to definitely remedy the consequences of the breach or breaches having led to the proposal of exclusion of the concerned Member. The concerned Member has the right to notify its remarks in writing to the President, within forty (40) calendar days in advance of the proposed exclusion date. Twelve (12) calendar days after the receipt of the registered mail by the concerned Member, the Board of Directors

may decide to recommend the exclusion of the concerned Member to the General Meeting. The General Meeting may decide to exclude a Member, provided that the concerned Member is convened at the meeting and has received the possibility to defend its position during the meeting of the General Meeting and prior to the voting on the exclusion. The General Meeting can validly decide on the exclusion in accordance with the rules set out in Article 20. The decisions of the General Meeting regarding the exclusion of a Member are final, sovereign and must be motivated. All membership rights of the Member concerned by the abovementioned exclusion procedure shall be suspended until (i) the decision of the Board of Directors to not recommend the exclusion of the concerned Member to the General Meeting, or (ii) if the Board of Directors decides to recommend the exclusion of the concerned Member to the General Meeting, the decision of the General Meeting. The Director General shall send a copy of the decision to the excluded Member by registered mail, within fifteen (15) calendar days from the decision of the General Meeting.

**11.4.** A Member which, in whatever way and for whatever reason, ceases to be a Member of the Association shall (i) remain liable for its obligations towards the Association, including for the payment of the membership contributions, up to the end of the financial year in which the termination of its membership became effective, (ii) have no claims for compensation on the Association or for its assets, (iii) forthwith cease to hold itself out as a Member of the Association in any manner, and (iv) upon decision of the Director General, promptly deliver to the Association all material, equipment, software, and documents, in written, electronic or magnetic form, in its possession that have been provided by the Association.

**11.5.** A Member which has resigned or has been excluded from the Association and wishes to re-join the Association as a Member may be considered as an applicant to membership.

## **Article 12. Compliance with the Constitution and the Rules of Procedure**

Any Member shall expressly adhere to this Constitution and the Rules of Procedure, as amended from time to time, and commit to (i) actively cooperate towards the achievement of the purpose of the Association and (ii) pay the annual membership contributions, including those for the year in which the application for admission to membership is submitted, pursuant to Article 38, Article 39, and Article 40.

## **TITLE IV. OBSERVERS**

### **Article 13. Observers**

**13.1.** The Board of Directors may decide to confer the status of Observer to one or more national association(s) being a representative of the fund industry and/or the asset management industry of one of the Member States of the Council of Europe which (i) do not meet the membership criteria set out under Article 6 or (ii) do not wish to become a Member. The status of Observer may be granted for a term of two (2) years renewable once. The Board of Directors may revoke the status of Observer at any time. The decisions of the Board of Directors regarding the granting and revocation of the status of Observers are final, sovereign and shall not be motivated.

**13.2.** Each Member State of the Council of Europe shall be represented by only one Observer.

**13.3.** The detailed procedures regarding the status of Observer shall be determined in this Constitution and the Rules of Procedure.

**13.4.** Observers shall have the rights specifically granted to them in or pursuant to the Rules of Procedure.



**13.5.** Each Observer may have to pay Observers' fees. Each year, the amount of the Observers' fees and the calculation method for the Observers' fees for each Observer may be proposed by the Director General and decided by the Board of Directors based on the criteria defined in the Rules of Procedure, such as the annual budget, the relevant costs, and the number of Members and Observers. The pro rata payment of Observers' fees for Observers joining during the financial year, the invoicing procedure and the timing for the payment of the Observers' fees shall be detailed in the Rules of Procedure.

## **TITLE V. ORGANISATIONAL STRUCTURE**

### **Article 14. Bodies**

The bodies of the Association are:

- a. the General Meeting;
- b. the Board of Directors;
- c. the President;
- d. the Vice-President(s);
- e. the Director General; and
- f. (Standing) Committee(s) and Task Force(s).

## **TITLE VI. GENERAL MEETING**

### **Article 15. Composition. Voting rights**

**15.1.** The General Meeting shall be composed of all Members. Each Member shall be represented at the General Meeting by its Representative or exceptionally by its Delegate pursuant to Article 10.

**15.2.** Each National Association Member and Corporate Member shall have voting rights equivalent to the percentage of the last membership contributions it has paid. By derogation to the precedent sentence, all the Corporate Members together shall not have more than forty percent (40 %) of the total number of votes.

**15.3.** Associate Members shall have the right to attend one or more meeting(s) or part(s) of meeting(s) of the General Meeting without voting rights and with the right to be heard.

**15.4.** Each director of the Association shall have the right to attend the meetings of the General Meeting without voting rights and with the right to be heard. Each director who has been appointed as Representative or Delegate shall be authorised to vote in this specific capacity for the Member he/she represents.

**15.5.** The General Meeting shall be chaired by the President. If the President is unable or unwilling to chair the General Meeting, the General Meeting shall be chaired by the oldest (in age) Vice-President. If the President and the oldest (in age) Vice-President are both unable or unwilling to chair the General Meeting, the General Meeting shall be chaired, if applicable, by the other Vice-President. If the President and the Vice-Presidents are unable or unwilling to chair the General Meeting, the General Meeting shall be chaired, by a Representative designated for this purpose by the General Meeting.

**15.6.** The General Meeting may decide to invite one or more third parties to attend without voting rights one or more meeting(s) or part(s) of meeting(s) of the General Meeting. Upon authorisation of the chairman of the General Meeting these third parties shall receive the right to speak.

#### **Article 16. Powers**

The General Meeting shall have the powers specifically granted to it by law or this Constitution. In particular, the General Meeting shall have the following powers:

- a. the amendment of this Constitution;
- b. the exclusion of Members;
- c. the appointment of the President and the Vice-President(s);
- d. the revocation of the President and the Vice-President(s)
- e. the appointment of the directors;
- f. the revocation of the directors;
- g. the appointment and revocation of a statutory auditor and the determination of his/her/its remuneration;
- h. the discharge to be given to the directors and, to the statutory auditor;
- i. the approval of the amount of the membership contributions and the calculation method of the membership contributions, upon proposal of the Board of Directors;
- j. the approval of the annual accounts and the budget of the Association; and
- k. the dissolution of the Association, the allocation of the Association's net assets in case of dissolution, and the appointment of one or more liquidator(s).

#### **Article 17. Meetings**

**17.1.** A meeting of the General Meeting entrusted with the approval of the annual accounts and the budget and, as the case may be, the appointment of a statutory auditor shall be held within six (6) months following the end of the financial year (hereafter: "Annual General Meeting"). Each year, the Board of Directors shall determine the exact date of the Annual General Meeting. The Annual General Meeting shall be conducted as a physical meeting.

**17.2.** An extraordinary General Meeting shall be convened at any time by the President or the Board of Directors whenever required by the interests of the Association. An extraordinary General Meeting shall be convened by the President at the written request of the National Association Members and Corporate Members holding together at least twenty-five percent (25%) of the total number of votes.

**17.3.** If the President is unable or unwilling to convene the General Meeting, the General Meeting shall be convened by the oldest (in age) Vice-President. If the President and the oldest (in age) Vice-President are both unable or unwilling to convene the General Meeting, the General Meeting shall be convened, if applicable, by the other Vice-President. If the President and the Vices-Presidents are unable or unwilling to convene the General Meeting, the General Meeting shall be convened by the Board of Directors.

## **Article 18. Proxies**

**18.1.** Each National Association Member and Corporate Member shall have the right, via regular mail or via any other means of written communication (including email), always with copy to the Director General via similar means, sent at least forty-eight (48) hours before the beginning of the meeting, to give a proxy to another National Association Member or Corporate Member, or a third party to be represented at a meeting of the General Meeting. No Member, Representative, Delegate or director may hold more than two (2) proxies.

**18.2.** Each National Association Member and Corporate Member shall have the right, via regular mail or via any other means of written communication (including email), always with copy to the Director General via similar means, sent at least forty-eight (48) hours before the beginning of the meeting, to give a proxy to another National Association Member or Corporate Member or a third party in case of a General Meeting having to adopt in the presence of a notary amendments to this Constitution which must be recorded in a notarial deed, provided that these amendments have been previously approved by the General Meeting according to the attendance and voting quorums stipulated in Article 20. In that case, each National Association Member or Corporate Member or third party may hold an unlimited number of proxies.

## **Article 19. Convening notices. Agenda**

**19.1.** Convening notices for the General Assembly shall be notified to the Members and the directors by the President via regular mail or via any other means of written communication (including email) at least twenty-eight (28) calendar days before the meeting. The convening notice shall mention the date, time and place of the meeting of the General Meeting. The agenda and all necessary supporting documentation shall be sent at least fourteen (14) calendar days before the meeting. The notice period shall be reduced to fourteen (14) calendar days for the purpose of considering and dealing with any matter of urgency, in which case the agenda and all necessary supporting documentation shall be sent at least seven (7) calendar days in advance of the meeting of the General Meeting.

**19.2.** Any proposal of additional item(s) on the agenda of the General Meeting signed by at least one quarter (1/4) of the National Association Members and/or Corporate Members and notified to the President at least fourteen (14) calendar days before the meeting must be included in the agenda. In such a case, the President shall inform the Members and the directors of the additional item(s) on the agenda of the General Assembly via regular mail or via any other means of written communication (including email) at least seven (7) calendar days before the meeting of the General Meeting. In case the notice period has been reduced to fourteen (14) calendar days for the purpose of considering and dealing with any matter of urgency pursuant to Article 19.1, any proposal of additional item(s) on the agenda of the General Meeting signed by at least one quarter (1/4) of the National Association Members and/or Corporate Members and notified to the President at least seven (7) calendar days before the meeting must be included in the agenda. In such a case, the President shall inform the Members and the directors of the additional item(s) on the agenda of the General Assembly via regular mail or via any other means of written communication (including email) at least three (3) calendar days before the meeting of the General Meeting.

**19.3.** No vote shall take place regarding an item that is not listed on the agenda.

**19.4.** Each Member and each director shall have the right, before, during or after a meeting of the General Meeting, to waive the convening formalities and periods required by the present Article. Unless he/she/it disagrees, any Member present or represented and any director present at a meeting of the General Meeting shall be considered to have been regularly convened to this meeting.

## **Article 20. Quorum. Votes**

**20.1.** The General Meeting is empowered to pass valid resolutions when (i) the National Association Members and Corporate Members present or represented hold together at least fifty percent (50%) of the total number of votes and (ii) at least fifty percent (50%) of the National Association Members are present or represented.

**20.2.** Notwithstanding Article 20.1, a General Meeting is empowered to pass valid resolutions regarding Article 16, c, d, and g when (i) the National Associations Members and Corporate Members present or represented hold together at least fifty percent (50%) of the total number of votes and (ii) at least twenty-five percent (25%) of the National Association Members are present or represented.

**20.3.** If (i) the National Association Members and Corporate Members present or represented do not hold together at least fifty percent (50%) of the total number of votes and/or (ii) at least fifty percent (50%), in accordance with Article 20.1, or twenty-five percent (25%), in accordance with Article 20.2, of the National Association Members are not present or represented, a second meeting of the General Meeting may be convened by derogation to Article 19, at least fourteen (14) calendar days after the first meeting of the General Meeting. The second meeting of the General Meeting shall validly deliberate, irrespective of the number of National Association Members and/or Corporate Members present or represented, in accordance with the majorities stipulated in the third paragraph of this Article.

**20.4.** Unless otherwise stipulated in this Constitution, the decisions of the General Meeting shall be validly adopted according to the following voting majority:

- a. Resolutions regarding Article 16, a. if they obtain (i) a majority of at least seventy-five percent (75%) of the votes cast by the National Association Members and Corporate Members present or represented and (ii) a majority of more than fifty percent (50%) of the votes cast by the National Association Members;
- b. Resolutions regarding Article 16, b, d, f and k. if they obtain (i) a majority of at least two third (2/3) of the votes cast by the National Association Members and Corporate Members present or represented and (ii) a majority of more than fifty percent (50%) of the votes cast by the National Association Members;
- c. Resolutions regarding Article 16, c, e, g, h, i and j, if they obtain (i) a majority of more than fifty percent (50%) of the votes cast by the National Association Members and Corporate Members present or represented and (ii) a majority of more than fifty percent (50%) of the votes cast by the National Association Members; and
- d. Resolutions regarding an item which does not pertain to of the powers described under Article 16, if they obtain (i) a majority of more than fifty percent (50%) of the votes cast by the National Association Members and Corporate Members present or represented and (ii) a majority of more than fifty percent (50%) of the votes cast by the National Association Members.

**20.5.** Blank votes, invalid votes and abstentions shall not be counted. In the event of a tie, the person chairing the General Meeting shall have the decisive vote.

**20.6.** The votes are issued by a call out, or by a show of hands, unless a secret ballot is requested by at least one third (1/3) of the National Association Members and Corporate Members present or represented.

## **Article 21. Written procedure**

**21.1.** Except for (i) the amendment of this Constitution, and (ii) the dissolution and liquidation of the Association, in exceptional cases and when the urgency of the matter so requires, the General Meeting may take decisions via written procedure.

**21.2.** For this purpose, the President, upon request of the Board of Directors, and with the assistance of the Director General shall send a letter, via regular mail or via any other means of written communication (including email) to all Members and directors, mentioning the agenda and the proposals for the decisions to be taken, with request to the National Association Members and Corporate Members to approve the proposals and to send the letter back via regular mail or via any other means of written communication (including email) to the registered office of the Association or any other place mentioned in the letter, duly signed and within the term mentioned in the letter.

**21.3.** If the approval by the National Association Members and Corporate Members holding together at least two-thirds (2/3) of the total number of votes regarding the items on the agenda and regarding the procedure in writing is not received within this term, the decisions are deemed not to be taken. In the event of a tie, the decisions are also deemed not to be taken.

**21.4.** For the purpose of the present Article, National Association Members and Corporate Members are not allowed to grant proxies to other National Association Members and Corporate Members.

**21.5.** Decisions taken by written procedure are deemed to come into force on the date mentioned on the letter sent to the Members and directors.

## **Article 22. Register of minutes**

Minutes shall be drawn up at each meeting of the General Meeting. They shall be approved and signed by the President and kept in a register of minutes. Copies of resolutions shall be sent via regular mail or via any other means of written communication (including email) by the Director General to the Members. The register of minutes shall be kept at the registered office of the Association where all Members may consult it, without, however, displacing it.

## **TITLE VII. PRESIDENT AND VICE-PRESIDENT(S)**

### **Article 23. President and Vice-President(s)**

**23.1.** The General Meeting shall appoint a President, and one (1) or two (2) Vice-President(s). The President, and the Vice-President(s) shall be three (3) distinct natural persons. Their mandate shall be non-remunerated. Their term of office is a two (2) year term, renewable once for a one (1) year term. Their term of office starts as from the day following the day on which the General Meeting appointed them, as President or Vice-President and ends at the end of the day of the appointment of the direct next President or Vice-President.

**23.2.** In order to be appointed President or Vice-President, each candidate shall fulfil the following criteria:

- a. being a natural person;
- b. having sufficiently good standing and reputation in the European fund and asset management industry, and demonstrate that he/she is familiar with the Association;

- c. having a background from business positions in the European fund and asset management industry and alternatively, he/she could be an independent person of high standing, able to promote this industry; and
- d. not exercising any active role or mandates in the representation of other trade associations in the financial sector during the contemplated mandate of President or Vice-President.

**23.3.** At the latest before December 31 of the year before the year of the appointment of the President and Vice-President(s), the current Vice-President(s), if wishing to run as candidate for Presidency, shall declare his/her/their intention to the Nomination Committee.

**23.4.** As from January 1<sup>st</sup> of the year of the appointment of the President and Vice-President(s), National Association Members and Corporate Members may nominate candidates for the Presidency and Vice-Presidency at the latest ninety (90) calendar days before the meeting of the General Meeting which will appoint the President and Vice-President(s).

**23.5.** The Nomination Committee shall search for candidates to Presidency and Vice-presidency if there are no nominations for the mandate of President and/or Vice-President(s) at the latest ninety (90) calendar days before the General Meeting. In any case, the Nomination Committee shall immediately inform all Members about any nomination by the National Association Members or Corporate Members.

**23.6.** At the latest thirty (30) calendar days before the expiration of the term of the mandate of the President and Vice-President(s), the Board of Directors shall decide if one (1) or two (2) Vice-President(s) shall be appointed by the General Meeting at its next meeting.

**23.7.** Decisions regarding the appointment of the President and Vice-President(s) are casted by written votes, unless secret ballot is requested by at least one (1) Member present. The President and the Vice-President(s) shall be elected separately.

**23.8.** The mandate of the President and the Vice-President(s) terminates by expiry of the term of their mandate. The mandate of the President and the Vice-President(s) terminates as of right and with immediate effect, (i) by death or incapacity or (ii) if the President, or Vice-President(s) does no longer meet the criteria set out in the Article 23.2.

**23.9.** The General Meeting may further revoke the President as President, and a Vice-President as Vice-President, at any time and does not need to motivate its decision, without any compensation or cost becoming due by the Association, and provided that the President or a Vice-President concerned is convened at the meeting and has received the possibility to defend his/her position during the meeting of the General Meeting and prior to the voting on the revocation. The concerned President or Vice-President shall not participate in the deliberation of the General Meeting regarding such decision or action, and also not to the relevant voting.

**23.10.** The President and Vice-President(s) are also free to resign from their office at any time by submitting, via registered mail or via any other means of written communication (including email) with acknowledgment of receipt, their resignation to the Board of Directors. In case of the end of the mandate of the President or the Vice-President(s) for whatever reason, except the cases of expiry of the term of their mandate, or revocation, the President or Vice-President(s), as the case may be shall continue performing the duties of his/her office until the Board of Directors has provided in his/her replacement within ninety (90) calendar days.

**23.11.** In case of termination of the mandate of the President or a Vice-President, for whatever reason, the Nomination Committee shall propose a new President or Vice-President to the Board of Directors. The new President or Vice-President shall be supported by at least one (1) National Association Member

and fulfill the criteria set out under Article 23.2. The Board of Directors shall appoint a new President or Vice-President for the remainder of the term of the replaced President or Vice-President. The mandate of the new President or Vice-President shall start as from the date on which the Board of Directors has appointed him/her. The appointment by the Board of Directors of a new President or Vice-President shall be submitted for approval at the next meeting of the General Meeting. In case, the General Meeting does not approve the appointment of the new President or Vice-President by the Board of Directors, this decision shall have no retroactive effect.

**23.12.** In case of termination of the mandate of the President or a Vice-President for whatever reason, the President or Vice-President, as the case may be shall have no claims for compensation on the Association or for its assets.

#### **Article 24. Powers of the President and Vice-President(s)**

**24.1.** The President shall have the powers specifically granted to him/her by this Constitution. In particular, the President shall have the following powers:

- a. presiding the meetings of the General Meeting and the Board of Directors;
- b. signing and approving the minutes of the meetings of the General Meeting and the Board of Directors; and
- c. in the event of a tie vote, having the casting vote within the General Meeting and the Board of Directors.

**24.2.** The Vice-President(s) shall have the powers specifically granted to him/her/them by this Constitution. As a general rule, the Vice-President(s) shall replace the President in his/her absence.

**24.3.** At any time, the President may delegate specific powers to one or more Vice-President(s), or director(s) or the Director General or any Representatives or bodies, with or without sub-delegation powers to the legal extent possible.

### **TITLE VIII. BOARD OF DIRECTORS**

#### **Article 25. Composition**

**25.1.** The Association shall be administered by a Board of Directors composed of minimum nine (9) directors including the President and the Vice-President(s).

**25.2.** Except for the President and Vice-President(s), each director shall be at the moment of appointment by the General Meeting a representative of a National Association Member or a Corporate Member, at its top decision-making level (e.g. president, secretary general, director general, chairman, deputy director general, CEO, or equivalent senior head of fund or asset management units , etc.).

**25.3.** The Board of Directors shall be composed as follows:

- a. the President and the Vice-President(s) shall be directors as of right;
- b. each National Association Member shall have one (1) director; and
- c. seven (7) directors proposed by the Corporate Members.

**25.4.** Each National Association Members shall inform via regular mail or any other means of written communication (including email) the Director General, about the candidate(s) it proposes to the General Meeting. The Director General shall verify whether or not the proposed candidate(s) accept(s) to be candidate(s) and if the candidate(s) fulfil the criteria set out in Article 25.2. In case a National Association Member does not inform the Director General about the candidate(s) it proposes, the Board of Directors shall appoint one or more candidate(s) which fulfil the criteria set out in Article 25.2. The Director General shall establish the list of the candidate(s) proposed by each National Association Member. The candidates mentioned on this list shall be proposed to the General Meeting to be appointed as directors.

**25.5.** The candidates proposed by the Corporate Members to be appointed as directors by the General Meeting shall be chosen by the Corporate Members according to the following two steps procedure. Firstly, the Corporate Members shall send to the Director General their proposed candidates to directorship. The Director General shall verify whether or not the proposed candidates accept to be candidates and if the candidates fulfil the criteria set out in Article 25.2. If there are not enough proposed candidates, the Director General shall request additional proposals to the Corporate Members. Secondly, the Director General shall send via regular mail or any other means of written communication (including email), a letter with attached the list of the proposed candidates to the Corporate Members. The Corporate Members shall indicate on the list sent by the Director General the candidates they wishes to see appointed as directors and send the list back via registered mail and/or via any other means of written communication (including email) with acknowledgement of receipt, to the registered office of the Association or any other place mentioned in the letter, duly signed and within the term mentioned in the letter.

**25.6.** The candidates to directorship gathering the highest number of votes shall be proposed to the General Meeting to be appointed as directors. As far as possible, the candidates to directorship shall represent an appropriate diversification of the Corporate membership, including geographical, ownership, size and nature of operations, and personal job responsibilities, knowledge and skill set.

**25.7.** The detailed procedures for the admission to directorship shall be determined in the Rules of Procedure.

**25.8.** The directors are elected by a General Meeting for a mandate of two (2) years, indefinitely renewable. Their mandate shall be non-remunerated.

**25.9.** Except for the President and the Vice-Presidents, the mandate of a director terminates by expiry of his/her directorship. The mandate of a director terminates as of right and with immediate effect, (i) by death or incapacity, or (ii) if a director ceases to be employed by or is no longer otherwise linked to the National Association Member or Corporate Member he/she is representing, or (iii) if the National Association Member or Corporate Member the director represents, for whatever reason, ceases to be a National Association Member or a Corporate Member of the Association, or (iv) if the National Association Member or Corporate Member the director represents, is in a situation of judicial administration, or bankruptcy, judicial reorganisation, dissolution or liquidation, or is subject to insolvency proceedings of a similar nature under the laws of any jurisdiction, or (v) if the National Association Member or Corporate Member the director represents, has substantially modified its activities, or (vi) if a director does no longer meet the criteria set out in paragraph 25.2 of the present Article.

**25.10.** Except for the President and the Vice-Presidents, the mandate of a director also terminates upon revocation by the General Meeting. The General Meeting may revoke a director at any time and does not need to motivate its decision, without any compensation or cost becoming due by the Association, and provided that the director concerned is convened at the meeting and has received the possibility to defend his/her position during the meeting of the General Meeting and prior to the voting on the revocation.



**25.11.** Except for the President and the Vice-President, the directors are also free to resign from their office at any time by submitting, via registered mail or via any other means of written communication (including email) with acknowledgment of receipt, their resignation to the President. In case of termination of the mandate of a director for whatever reason, except the cases of automatic termination of the mandate of a director, or revocation, the director shall continue performing the duties of his/her office until he/she has been replaced within sixty (60) calendar days.

**25.12.** If the mandate of a director representing a National Association Member ceases before its term, for whatever reason, the National Association Member that the concerned director represents shall propose to the Board of Directors a new qualified candidate to be appointed (by co-option) by the Board of Directors at its next meeting for the remainder of the term of the replaced director, provided that the director appointed (by co-option) fulfils the criteria set out under Article 25.2. The appointment (by co-option) shall be submitted for approval to the next meeting of the General Meeting. In case the General Meeting does not approve the appointment (by co-option) of a new director by the Board of Directors, this decision shall have no retroactive effect.

**25.13.** If the mandate of a director representing the Corporate Members ceases before its term, for whatever reason, the Corporate Members shall propose to the Board of Directors, in accordance with the procedure described under Article 25.5, a new qualified candidate to be appointed (by co-option) by the Board of Directors at its next meeting for the remainder of the term of the replaced director, provided that the director appointed (by co-option) fulfils the criteria set out under Article 25.2. The appointment (by co-option) shall be submitted for approval to the next meeting of the General Meeting. In case the General Meeting does not approve the appointment (by co-option) of a new director by the Board of Directors, this decision shall have no retroactive effect.

**25.14.** In case of termination of the mandate of a director for whatever reason, the director shall have no claims for compensation on the Association or for its assets.

**25.15.** The Board of Directors shall be chaired by the President. If the President is unable or unwilling to chair the Board of Directors, the Board of Directors shall be chaired by the oldest (in age) Vice-President. If the President and the oldest (in age) Vice-President are both unable or unwilling to chair the Board of Directors, the Board of Directors shall be chaired, if applicable, by the other Vice-President. If the President and the Vice-Presidents are unable or unwilling to chair the Board of Directors, the Board of Directors shall be chaired by a director designated for this purpose by the Board of Directors.

**25.16.** The Board of Directors may decide to invite one or more third parties to attend without voting rights one or more meeting(s) or part(s) of meeting(s) of the Board of Directors.

## **Article 26. Powers**

**26.1.** The Board of Directors shall have all powers necessary to accomplish the purpose of the Association, except for the powers that are specifically granted to other bodies of the Association by law or this Constitution. The Board of Directors shall act as a collegial body (in French: “organe collégial” / in Dutch: “collegiaal orgaan”).

**26.2.** The Board of Directors shall in particular have the following powers:

- a. the approval of the strategy and priorities of the Association;
- b. the recommendation of the budget;
- c. the admission of new Members;

- d. the transfer of the Association's registered office;
- e. the granting of the status of Observer;
- f. the general management and administration of the Association;
- g. the consideration and resolving of cross-cutting and controversial policy issues, elevated to the Board of Directors by the Director General or a Member;
- h. the approval of key policy statements;
- i. the monitoring of the budget expenditures and the allocation of the budget;
- j. the execution of the decisions of the General Meeting;
- k. the appointment and revocation of the Director General, including the discharge to be given;
- l. the proposal of the amount of the membership contributions and the calculation method of the membership contributions to the General Meeting;
- m. upon receipt of the draft annual accounts and the draft budget from the Director General, the finalisation and approval of these documents that must be submitted to the General Meeting for approval;
- n. the adoption, the amendment and the revocation of the Rules of Procedure;
- o. the adoption of propositions to be submitted to the General Meeting; and
- p. the establishment of the Audit and Finance Committee, the Nomination Committee, the Remuneration Committee and the decision to establish, determine the working and governance rules of, and delegate tasks to one or more Working Group(s) and Committee(s) and the overseeing of this/these.

**26.3.** At any time, the Board of Directors may delegate specific powers to one or more director(s) or other persons or bodies, with or without sub-delegation powers to the legal extent possible.

## **Article 27. Meetings**

**27.1.** The Board of Directors shall meet every time the interests of the Association so require and at least one (1) time a year, six (6) weeks before the date of the Annual General Meeting, upon convening by the President, and at such time and place as determined in the convening notice. If the President is unable or unwilling to convene the Board of Directors, the Board of Directors shall be convened by the oldest (in age) Vice-President. If the President and the oldest (in age) Vice-President are both unable or unwilling to convene the Board of Directors, the Board of Directors shall be convened, if applicable, by the other Vice-President. If the President and the Vice-Presidents are unable or unwilling to convene the Board of Directors, the Board of Directors shall be convened by the oldest director (in age).

**27.2.** The Board of Directors shall be convened by the President at the written request of at least two (2) directors. Upon receipt of the written request to convene the Board of Directors, the President shall convene the Board of Directors within fifteen (15) calendar days. The meeting of the Board of Directors shall be held at the latest thirty (30) days after the date on which the written request of the directors has been sent to the President.

## **Article 28. Proxies**

The directors shall endeavour to be physically present at the meetings of the Board of Directors. However, each director shall have the right, via regular mail or via any other means of written communication (including email), to exceptionally give a proxy to a natural person being employed by or otherwise linked to the Member the director represents, to be represented at a Board of Directors meeting. No proxy-holder may hold more than one (1) proxy.

## **Article 29. Convening notice. Agenda**

**29.1.** Convening notices for the Board of Directors shall be notified to the directors by the President via regular mail or via any other means of written communication (including email) at least seven (7) calendar days before the meeting. The convening notices shall mention the date, time and place of the meeting. The agenda and all necessary supporting documentation shall be attached to the convening notice. The agenda of the meetings of the Board of Directors shall be prepared by the Director General and adopted by the President. If the President is unable or unwilling to adopt the agenda, the agenda shall be adopted by the oldest (in age) Vice-President. If the President and the oldest (in age) Vice-President are both unable or unwilling to adopt the agenda, the agenda shall be adopted, if applicable, by the other Vice-President. If the President and the Vice-Presidents are unable or unwilling to adopt the agenda, the agenda shall be adopted by the oldest director (in age).

**29.2.** Each director shall have the right to propose an additional item to be included on the agenda of the Board of Directors, which shall be notified via regular mail or via any other means of written communication (including email) to the President at least five (5) calendar days before the meeting. In such a case, the President shall inform the directors of the additional item(s) on the agenda of the Board of Directors via regular mail or via any other means of written communication (including email) at least three (3) calendar days before the meeting of the Board of Directors.

**29.3.** No vote shall take place regarding an item that is not listed on the agenda.

**29.4.** Each director shall have the right, before, during or after a meeting of the Board of Directors, to waive the convening formalities and periods required by the present Article. Unless he/she disagrees, any director present or represented at a meeting of the Board of Directors shall be considered to have been regularly convened to this meeting.

### **Article 30. Quorum. Votes**

**30.1.** Unless otherwise stipulated in this Constitution, the Board of Directors shall be validly constituted when at least half of the directors are present or represented. In any case, the Board of Directors shall always be constituted of at least two (2) directors present.

**30.2.** Unless otherwise stipulated in this Constitution, decisions of the Board of Directors shall be validly adopted if they obtain a majority of more than fifty percent (50%) plus one (1) vote of the votes cast by the directors present or represented. Each director shall have one (1) vote.

**30.3.** Blank votes, invalid votes and abstentions shall not be counted. In the event of a tie, the director chairing the meeting of the Board of Directors shall have the decisive vote.

**30.4.** A duly convened meeting of the Board of Directors shall be validly held even if all or some of the directors are not physically present or represented, but participate in the deliberations via any means of telecommunication that allow directors to directly hear each other and directly speak to each other, such as a telephone, video or web conference. In such a case, the directors shall be deemed present.

### **Article 31. Written procedure**

**31.1.** When the urgency of the matter requires, the Board of Directors may take decisions via written procedure.

**31.2.** For this purpose, the Director General, upon request of the President, shall send a letter, via regular mail or via any other means of written communication (including email) to all directors, mentioning the agenda and the proposals for the decisions to be taken, with request to the directors to approve the proposals and to send the letter back via regular mail or via any other means of written communication (including email) to the registered office of the Association or any other place mentioned in the letter, duly signed and within the term mentioned in the letter.

**31.3.** If the approval of at least two thirds (2/3) of all directors regarding the items on the agenda and regarding the procedure in writing is not received within this term, the decisions are deemed not to be taken. In the event of a tie, the decisions are also deemed not to be taken.

**31.4.** For the purpose of the present Article, directors are not allowed to grant proxies.

**31.5.** Decisions taken by written procedure are deemed to come into force on the date mentioned on the letter sent to the directors.

### **Article 32. Register of minutes**

**32.1.** Minutes shall be drawn up at each Board of Directors meeting. They shall be approved and signed by the President and kept in a register of minutes. Copies of resolutions shall be sent via regular mail or via any other means of written communication (including email) by the Director General to the directors. The register of minutes shall be kept at the registered office of the Association where all directors may consult it, without, however, displacing it.

**32.2.** The detailed procedures regarding the draw up and the approval of the minutes shall be determined in the Rules of Procedure, if any.

## **TITLE IX. DIRECTOR GENERAL**

### **Article 33. Appointment and functions of the Director General**

**33.1.** The Board of Directors shall appoint a natural person or legal entity, as Director General for such period and on upon such terms as the Board of Directors may determine. His/her/its office may be remunerated. The Association shall cover all reasonable expenses exposed by the Director General. The terms and conditions of his/her/its office shall be determined by the Board of Directors. During the term of his/her mandate, the Director General shall not be a director.

**33.2.** The mandate of the Director General terminates as of right and with immediate effect, (i) by death or incapacity, or (ii) if the Director General is under judicial administration, in bankruptcy, in judicial reorganisation, in dissolution or in liquidation, or is subject to insolvency proceedings of a similar nature under the laws of any jurisdiction.

**33.3.** Unless otherwise agreed, the Board of Directors may revoke the Director General at any time and possibly with immediate effect, without (i) having to justify its decision, (ii) any compensation or cost becoming due by the Association, and (iii) prejudice to the mandatory labour law provisions and/or the service agreement provisions, if applicable.

**33.4.** The Director General is free to resign from his/her/its office at any time by submitting, via registered mail or via any other means of written communication (including email) with acknowledgment of receipt, his/her/its resignation to the Board of Directors, without prejudice to the mandatory labour law provisions and/or the service agreement provisions, if applicable. In case of termination of the mandate of the Director General for whatever reason, except the cases of automatic termination of the mandate of the Director General or revocation, the Director General shall continue performing the duties of his/her/its office until the Board of Directors has provided in his/her/its replacement within ninety (90) calendar days.

**33.5.** In case of the end of the mandate of the Director General for whatever reason, the Director General shall have no claims for compensation on the Association or for its assets, without prejudice to the mandatory labour law provisions and/or the service agreement provisions, if applicable.

**33.6.** The Director General shall be entitled to attend all meetings of the Board of Directors in an *ex officio* capacity, unless the Board of Directors decides that the occasion warrants that the Director General shall not attend a specific meeting (or part thereof) of the Board of Directors. The Director General shall be entitled to attend all meetings of the General Meeting. The Director General shall not be entitled to vote at the meetings of the Board of Directors or the General Meeting.

### **Article 34. Powers and responsibilities of the Director General**

**34.1.** The Director General shall have the powers specifically granted to him/her/it by this Constitution. In particular, the Director General shall have the following powers:

- a. the representation and raising of the visibility of the Association and the investment management industry;
- b. the daily management of the Association with the support of the secretariat of the Association;
- c. the management of the Association's resources within such parameters or budgets which are agreed by the Board of Directors and the General Meeting; and
- d. preparing the annual accounts and the budget for submission to the Board of Directors.

**34.2.** The Director General shall report to the Board of Directors and in particular to the President and the Vice-President(s). The Director General shall always act under the responsibility of the Board of Directors and within the approved budget.

## **TITLE X. (STANDING) COMMITTEES. TASK FORCES**

### **Article 35. (Standing) Committees. Task Forces**

**35.1.** The Board of Directors may establish and delegate tasks to one or more (Standing) Committee(s) and/or Task Force(s). The (Standing) Committee(s) and Task Force(s) shall have a supporting role to the Board of Directors on specific issues. The Board of Directors shall determine among others the mission, composition, powers, conduct of meetings and governance, convening modalities and drafting of agendas, quorums and voting procedures, and drafting of minutes of the (Standing) Committee(s) and Task Force(s).

**35.2.** The (Standing) Committee(s) and Task Forces(s) shall be composed of representatives of Members who (i) must be experts in the respective fields covered by the (Standing) Committee(s)/Task Forces(s) concerned and (ii) are able to substantially contribute to support the Board of Directors.

**35.3.** The (Standing) Committee(s) and Task Force(s) shall not represent the Association vis-à-vis third parties.

**35.4.** The (Standing) Committee(s) and Task Force(s) shall always act under the responsibility of the Board of Directors and shall report periodically to Board of Directors on its/their activities, and/or at the request of the Board of Directors.

**35.5.** The (Standing) Committee(s) and Task Forces(s) may decide to invite one or more third party(ies) to attend without voting rights one or more meeting(s) or part(s) of meeting(s) of the (Standing) Committee(s) or Task Force(s).

**35.6.** The Board of Directors shall establish at least the following Committees:

- a. the Audit & Finance Committee;
- b. the Nomination Committee; and
- c. the Remuneration Committee.

**35.7.** The detailed procedures regarding the composition and the functioning of the (Standing) Committee(s) and Task Force(s) shall be determined in the Rules of Procedure.

## **TITLE XI. Financial year. Auditing the accounts. Membership contributions**

### **Article 36. Financial year**

The financial year of the Association shall coincide with the calendar year.

### **Article 37. Auditing of the accounts**

The General Meeting shall appoint a statutory auditor, chosen between the members of the Belgian “*Institut des Réviseurs d’Entreprise / Instituut der Bedrijfsrevisoren*”, for a three (3) years term.

**Article 38. National Association Members' membership contributions**

**38.1.** The total amount of the membership contributions of all the National Association Members shall be equivalent to the difference between the total amount of membership contributions payable by all the Members and the total amount of membership contributions payable by all the Corporate Members and Associate Members.

**38.2.** Up to forty percent (40%) of the total amount of the membership contributions of the National Association Members shall be equally divided among all the National Association Members, with the possible exception for National Association Members representing a low level of fund assets, as specified in the Rules of Procedure.

**38.3.** The part of the total amount of the membership contributions of all the National Association Members that is not equally divided among all the National Association Members pursuant to Article 38.2, shall be divided among all National Association Members according to the rules provided under Articles 38.4 through 38.9.

**38.4.** For each National Association Member, the National Associations Members' membership contributions shall be divided in the following two (2) types of contributions:

- a. the contributions based on total net assets of investment funds domiciled in the same country as the respective National Association Members (hereafter: "Fund-Based Contributions"); and
- b. the contributions based on total assets from asset management being managed by members of the respective National Association Members on behalf of customers under individual portfolio management/mandate (hereafter: "Mandate Assets")(hereafter: "Mandate-Based Contributions").

The detailed procedures regarding the provision of asset data by the National Association Members to the Association shall be determined in the Rules of Procedure.

**38.5.** The Fund-Based Contributions are divided into a fixed part and a variable part:

- a. the fixed part of the Fund-Based Contributions shall be equivalent to a specific percentage (as defined in the Rules of Procedure) of the total amount of National Associations Members' membership contributions (i.e. Fund-Based Contributions and Mandate-Based Contributions). This fixed part of the Fund-Based Contributions shall be divided among all the National Association Members based on the annual total amount of the fund assets of all the members of each National Association Member and in accordance with rules defined in the Rules of Procedure; and
- b. the variable part of the Fund-Based Contributions shall be equivalent to the difference between the total amount of National Association Members' membership contributions and the sum of the amount of the fixed part of Fund-Based Contributions and the amount of the Mandate-Based Contributions. This variable part of the Fund-Based Contribution shall be divided among all the National Association Members based on the investment fund assets domiciled in the respective national industry of each National Association Member and in accordance with rules defined in the Rules of Procedure.

**38.6.** The Mandate-Based Contributions are divided into a fixed part and a variable part:

- a. the fixed part of the Mandate-Based Contributions shall be equivalent to a specific percentage (as defined in the Rules of Procedure) of the total amount of National

Association Members' membership contributions. This fixed part of the Mandate-Based Contributions shall be divided equally among all the National Association Members; and

- b. the variable part of the Mandate-Based Contributions shall be (i) paid by the National Association Members representing more than a specific amount of Mandate Assets (as defined in the Rules of Procedure) and (ii) divided based on the annual total amount of Mandate Assets represented by the National Association Members and in accordance with rules defined in the Rules of Procedure. National Association Members that are not representing asset management of mandate assets shall not pay a variable part of the Mandate-Based Contributions.

**38.7.** The total amount of National Association Members' annual membership contributions of each National Association Member shall not exceed fifteen percent (15%) of the approved budget. If, the National Association Members' membership contributions of a National Association Member exceed this percentage, the excess amount shall be shared among all other National Association Members in accordance with the criteria set out in Articles 38.3 through 38.9.

**38.8.** Each National Association Member shall pay membership contributions per year, as proposed by the Board of Directors and decided by the General Meeting. Each year, the amount of membership contributions resulting from the calculation methods described in the previous paragraphs of the present Article 38 for each National Association Member shall be proposed by the Board of Directors and decided by the General Meeting.

**38.9.** In case of any contestation regarding the amount or the calculation method of the National Association Members' membership contributions of one or more National Association Members, the General Meeting shall decide on the amount of the National Association Members' membership contributions and the calculation method of the National Association Members' membership contributions in accordance with Article 20.4, a.

#### **Article 39. Corporate Members' membership contributions**

**39.1.** Each Corporate Member shall pay annual membership contributions as proposed by the Board of Directors and decided by the General Meeting.

**39.2.** By derogation from the paragraph 39.1, the Board of Directors may decide each year that one or more Corporate Member(s) is/are (partially) exempt from Corporate Members' membership contributions.

#### **Article 40. Associate Members' membership contributions**

**40.1.** Each Associate Member shall pay annual membership contributions as proposed by the Board of Directors and decided by the General Meeting.

**40.2.** By derogation from the paragraph 40.1, the Board of Directors may decide each year that one or more Associate Member(s) is/are exempt from Associate Members' membership contributions.

### **TITLE XII. EXTERNAL REPRESENTATION OF THE ASSOCIATION**

#### **Article 41. External representation of the association**

**41.1.** The Association shall be validly represented vis-à-vis third parties and with regard to all judicial and extra-judicial deeds by:



- a. the President and a Vice-President, acting jointly; or
- b. (i) the President or a Vice-President and (ii) the Director General, acting jointly.

**41.2.** Within the framework of daily management, the Association shall also be validly represented vis-à-vis third parties and with regard to all judicial and extra-judicial deeds by the Director General, acting alone.

**41.3.** None of the aforementioned persons must justify his/her/its powers vis-à-vis third parties.

**41.4.** In addition, the Association shall also be validly represented vis-à-vis third parties, within the framework of their mandates, by one or more proxy holder(s) duly mandated by the Board of Directors, the President and a Vice-President acting jointly or the President or a Vice-President and the Director General acting jointly, or, within the framework of daily management, by the Director General, acting alone.

### **TITLE XIII. RULES OF PROCEDURE**

#### **Article 42. Rules of Procedure**

**42.1.** To detail and complete the provisions of this Constitution, the Board of Directors shall adopt, amend and/or revoke Rules of Procedure.

**42.2.** The Board of Directors is further entitled to adopt Board of Directors internal procedures and any other kind of statement that falls within the scope of its powers.

### **TITLE XIV. AMENDMENT TO THE CONSTITUTION**

#### **Article 43. Amendments to the Constitution**

**43.1.** The Constitution of the Association may be amended by the General Meeting in accordance with Article 20.

**43.2.** The main terms of any proposal to amend this Constitution shall be explicitly mentioned in the agenda or a separate document included in or attached to the convening notice to the Members and the directors.

**43.3.** The date on which the amendments to this Constitution shall enter into force can be determined in the Rules of Procedure, if any, or by the decision of the General Meeting regarding the amendments to this Constitution.

**43.4.** Any decision of the General Meeting relating to the amendments of this Constitution is subject to the additional requirements imposed by applicable law. In particular, when the law requires it, the amendments to This Constitution must be acknowledged by a Royal Decree or recorded in a notarial deed.

### **TITLE XV. DISSOLUTION OF THE ASSOCIATION**

#### **Article 44. Dissolution of the Association**

**44.1.** Any decision to dissolve the Association shall be taken by the General Meeting in accordance with Article 20.

**44.2.** Any proposal to dissolve the Association shall be explicitly mentioned in the agenda included in or attached to the convening notice to the Members and the directors.

**44.3.** Upon the dissolution and liquidation of the Association, the General Meeting shall decide upon: the appointment of one or more liquidator(s), the decision-making process of the liquidators if several liquidators are appointed, and the scope of his/her/its/their powers. Failing the appointment of one or more liquidator(s), all the directors shall be deemed to be jointly in charge of the Association's liquidation.

**44.4.** The General Meeting shall also decide upon the allocation of the net assets of the Association, provided however that the net assets of the Association may only be allocated to a disinterested purpose.

## **TITLE XVI. GENERAL PROVISIONS**

### **Article 45. General Provisions**

**45.1.** Any matters not covered by this Constitution or the Rules of Procedure, are governed in accordance with Title III of the Law of June 27<sup>th</sup>, 1921 on non-profit associations, foundations, European political parties and European political foundations. In the event there is a conflict between this Constitution and the Rules of Procedure, internal procedures, or any other kind of rules of the Association, this Constitution shall prevail.

**45.2.** For the sake of clarity any reference in this Constitution to the masculine may be read as the feminine.

**45.3.** The business of the Association shall be conducted in English, without prejudice to applicable legal obligations. This Constitution is written in French and English, but only the French version shall be the official text.