

# *CFA Society France*

## **RULES AND ORDER OF THE SOCIETY**

**- February 5<sup>th</sup>, 2018 –**

**(Translation of the official French version)**

## **ARTICLE I**

### **Incorporation and purpose of the society**

#### **1.0 Name**

The name of the society (the society) is “CFA Society France”.

The society was incorporated on 29 August 1998 under the name “French Society of Investment Professionals”.

#### **2.0 Headquarters**

The headquarters of the society are located at the following address which is also its postal address:

37 rue des Mathurins  
75008 PARIS  
FRANCE

#### **3.0 Logo**

The Board of Directors of the society has the power to adopt or modify the logo and the communications charter of the society.

#### **4.0 Purpose of the society**

The purpose of the society is set out in its bylaws.

#### **5.0 Financial year**

5.1 The financial year ends on 30 June.

#### **6.0 Relations with CFA Institute**

6.1 The society is an affiliated society of CFA Institute. As an affiliated society, the society:

- a) is governed by the regulations and bylaws of CFA Institute;
- b) contributes to the development and promotion of the rules and principles established by CFA Institute;
- c) participates in various events with other member societies; and
- d) is made up of persons with the required qualifications who are all members of both the society and CFA Institute as explained below.

Its members are governed by the bylaws and rules of CFA Institute.

## ARTICLE II

### Definitions

#### 1.0 The definitions below may be used in the singular or in the plural.

1.1 An “investment decision making process” means the professional practice of financial analysts, managers or other similar professions.

1.2 An “investment professional” means a person who assesses or determines financial, economic or statistical data in an investment decision making process.

1.3 “Acceptable professional work experience”, with respect to candidates wishing to become members, means activities consisting primarily of:

- a) evaluating, assessing or determining financial, economic or statistical data in an investment decision making process involving securities or similar investments;
- b) directly or indirectly supervising those carrying out such activities;
- c) teaching one or several disciplines required to carry out such activities.

Financial instruments and similar investments include, but are not limited to, shares, bonds, mortgage-backed securities, index derivatives, mutual funds, and other assets like real estate and commodities.

In order to evaluate what constitutes “acceptable professional work experience”, the society shall use the latest version of the CFA Institute “Guidelines for Determining Acceptable Professional Experience”.

1.4 A “regular member” means a person who has been fully accepted as a member of the society and whose membership has been neither revoked nor suspended.

1.5 An “affiliate member” means a person who has been accepted as an affiliate of the society and whose membership has been neither revoked nor suspended.

1.6 A “candidate member” means a person who has been accepted as a candidate member by the society and whose membership has been neither revoked nor suspended.

1.7 An “honorary member” means a person who has been fully accepted as an honorary member of the society and whose membership has been neither revoked nor suspended.

1.8 “Members” include the regular members, affiliate members, candidate members and honorary members of the society.

1.9 The “Members Charter” is a document drawn up by the CFA Institute setting out the obligations and responsibilities of all members of CFA Institute.

1.10 “Chartered Financial Analyst®” and “CFA®” are registered trademarks of CFA Institute.

1.11 The “CFA Program” means the study and examination program managed by CFA Institute.

1.12 “Charterholder” means an individual who holds the “Chartered Financial Analyst” designation as awarded by CFA Institute.

1.13 “Code and standards” means the latest version of the “Code of Ethics and Standards of Professional Conduct” published by CFA Institute.

1.14 The “Professional Conduct Statement” means a questionnaire on professional conduct prepared by CFA Institute which must be signed and returned to CFA Institute each year (or as required by CFA Institute) by all-natural persons who are members of CFA Institute with the exception of those who are dispensed from doing so under the bylaws of CFA Institute.

1.15 The Candidate Responsibility Statement means the latest version of the “Candidate Responsibility Statement” published by CFA Institute.

## **ARTICLE III**

### **Members**

#### **1.0 Types of members**

1.1 The society has four types of members: regular members, affiliate members, candidate members and honorary members.

#### **2.0 Requirements for becoming a regular member**

2.1 Persons who are members of CFA Institute and who meet any other criteria which the society may require, to the extent that such criteria are imposed by CFA Institute, qualify as regular members.

#### **3.0 Requirements for becoming an affiliate member**

3.1 All candidates for the status of affiliate member of the society must sign and return the Members Charter, a Professional Conduct Statement and any other document required by CFA Institute. To become a member of the society, the candidate must have been accepted as an affiliate member of CFA Institute.

#### **4.0 Requirements for becoming a candidate member**

4.1 Persons who have enrolled and been registered as candidates for one of the CFA Program examinations at the time of their application for membership of the society qualify as candidate members

Or

Candidates having passed Level III of the CFA Program, but without the relevant work experience as required by CFA Institute at the time of their application.

4.2 Any person claiming status as a candidate member must sign and return the “Professional Conduct Statement” and the “Candidate Responsibility Statement”.

#### **5.0 Examination of membership application**

5.1 The Board of Directors reserves the right to examine all applications for membership of the society. In the event of a disagreement over the setting of the conditions for acceptance as a regular member, the society shall have the right to appeal to CFA Institute Board of Governors. The Board of Governors, or a committee appointed by it, shall have the power to make a final decision concerning an application for membership as a regular member.

## **6.0 CFA Institute Membership**

6.1 Each regular member of the society shall also be a regular member of CFA Institute. Each affiliate member of the society shall also be an affiliate member of CFA Institute.

6.2 Candidate members are not members of CFA Institute. They shall automatically lose their candidate member status once they become regular members or affiliate members of CFA Institute.

## **7.0 Maintaining member status**

7.1 In order to maintain his or her status, each member must:

- a) undertake to comply with all rules relating to professional conduct and in particular the Rules and Order of the Society, the bylaws and regulations of CFA Institute and the Code of Ethics and Standards of Professional Conduct;
- b) transmit a Professional Conduct Statement each year; and
- c) pay the membership fees.

## **8.0 Members directory and record keeping**

8.1 The Secretary of the society shall keep an up-to-date file of the names and addresses of the members as well as of any other information deemed useful by the Board of Directors and shall grant CFA Institute access to such file. The Board of Directors shall keep the minutes of its meetings relating to each member or applicant for a period of time set by the Directors.

## **9.0 Resignation**

9.1 Any member of the society may cease to be a member at any time by submitting his or her resignation in writing to the President or to the Secretary of the society. The resignation shall come into effect upon receipt or on the date specified and its acceptance shall not be required unless expressly requested.

9.2 The society shall inform CFA Institute as soon as possible of the resignation of one of its members and likewise, if a member submits his or her resignation to CFA Institute, the latter shall inform the society.

## **10.0 Fees**

10.1 The annual society membership fee is set by the Board of Directors.

10.2 Each member shall pay his or her fee according to his or her status (regular member, affiliate member or candidate member). In addition to the fee payable to the society, CFA Institute shall have the right to set and receive the fees due under membership of CFA Institute.

10.3 Any member who omits to pay his or her annual fee shall have his or her membership of the society automatically suspended, without the society or CFA Institute being required to carry out any formal procedure, until he or she has paid his or her fee and regained his or her member status in accordance with the terms of these Rules and Order of the Society.

## **ARTICLE IV**

### **Meetings**

#### **1.0 Meetings**

1.1 The meetings shall be held at suitable times and places, in France or abroad as determined by the Board of Directors.

#### **2.0 Annual General Meeting**

2.1 The Annual General Meeting shall be held within twelve weeks of the end of the financial year on a date set by the Board of Directors.

#### **3.0 Extraordinary General Meeting**

3.1 An Extraordinary General Meeting may be called by (a) the President or (b) the Secretary at the written request of the majority of the Board of Directors or, in the event of death, incapacity or refusal of the President or of the Secretary, by another member of the Board of Directors.

3.2 The Extraordinary General Meeting notice must set out the meeting agenda.

#### **4.0 Meeting notice**

4.1 The meeting notice specifying the place, date, time and items on the agenda shall be sent to each regular and affiliate member by the Secretary or, in the event of death, absence, incapacity or refusal of the Secretary, by any other member of the Board of Directors, at least fifteen days prior to the date of the meeting, by email to the members' addresses as figure on the register of the society. It shall not be necessary to send a meeting notice to a member if a request for exemption, sent by such member or by an approved representative, is attached to the minutes of the meeting.

CFA Society France must inform its members of the launch of the Board election process at least eight weeks before the date of the Annual General Meeting.

#### **5.0 Absence of notice**

5.1 Accidental omission to send a meeting notice or the non-receipt thereof by any addressee shall not invalidate the decisions taken at such meeting.

#### **6.0 Quorum**

6.1 There is no required quorum.

## **7.0 Voting procedure and powers**

7.1 Each regular and affiliate member shall be entitled to one vote which he or she may cast in person or by proxy. Candidate members and honorary members shall have no voting rights.

7.2 Votes by proxy must be in writing and must be sent to the Secretary before being counted. The proxy holder may vote at any rescheduling of the meeting for which the proxy has been granted but the proxy shall be invalid following the last rescheduling of the meeting for which it had been granted. Any proxy dated more than six months before the meeting for which it was granted shall be deemed invalid.

7.3 Votes by proxy sent by email must be received no later than 48 hours prior to the AGM starting time to be considered.

## **8.0 Chair and recording of the proceedings**

8.1 The President shall chair all of the meetings. The Secretary shall be responsible for the recording of the proceedings. In their absence, a temporary secretary shall be appointed.

## **9.0 Decision by consensus**

9.1 Any decision may be taken by the members without a meeting being held provided that all the members with voting rights transmit their written consent to the motion in question. The Secretary shall record such motion by consensus along with the other motions decided upon at meetings. Such motion shall be assimilated to and shall have the same effect as any motion voted at a General Meeting where the quorum is present and has voted.



**ARTICLE V**

**Board of Directors**

**1.0 Authority and responsibility**

1.1 All powers of the society shall be exercised by the Board of Directors or under the authority of the Board of Directors. Everyday business of the society shall be managed by the Board of Directors in compliance with these Rules and Order of the Society, the bylaws and all applicable laws and regulations.

**2.0 Composition**

2.1 The Board of Directors shall be made up of between 5 and 9 Directors elected at the General Meeting. The outgoing President (“former President”) shall retain his or her role as Director for one year only, in order to ensure a smooth transition, but shall have no voting rights.

**3.0 Qualification**

3.1 Only regular members may be members of the Board of Directors.

**4.0 Election and term of office**

4.1 The Directors shall be elected at the Annual General Meeting for a term of office of two years by the members of the society with voting rights who are authorised to vote. Their duties shall take effect on the date of the General Meeting at which they are elected. They shall end at the Annual General Meeting at the end of the term.

The members are eligible for re-election for a limited period:

<b>Position</b>	<b>On an ongoing basis</b>	<b>On an intermittent basis</b>
President	3 years	5 years
Vice-President	3 years	5 years
Treasurer	3 years	5 years
Secretary	3 years	5 years
Officers (all positions)	7 years	12 years
Directors (all positions)	9 years	15 years

The application procedure for a position as Director is as follows:

- Each applicant must apply four weeks prior to the date of the Ordinary General Meeting at the latest;
- Each applicant must be a regular member of CFA Society France at the time of their application.
- CFA Society France must inform their members of the start of the nomination process no later than eight weeks prior to the AGM date.
- The Nominating Committee will communicate the list of recommended applicants no later than four weeks prior to the AGM.

4.2 A Nominating Committee will be formed no later than three months before the close of the Fiscal Year. It will comprise two Officers, the Volunteer Relations Chair or co-Chair and two Regular members.

The Volunteers Relations Committee will be responsible for identifying the two Regular members. Their applications will be approved by the Board of Directors.

The Nominating Committee shall propose one or more applicants for directorship positions, in line with/based on the following requirements/criteria:

- having been a Regular member of CFA Society France for at least 3 years.
- having been involved with CFA Society France as a volunteer for at least 2 years
- show the necessary skills to fulfil a Director's role.

These criteria are not exclusive.

The Nominating Committee will share the list of applicants no later than four weeks prior to the AGM.

4.3 Members shall vote online for the Annual General Meeting and Extraordinary General Meeting. Online access shall be open no later than two weeks prior to the Meeting. Relative documents shall be made available.

Online voting will close 48 hours before the Meeting start time and will be consolidated by the General Secretary and the President.

Online voting results will be added to the live vote results.

## **5.0 Declaration of conflicts of interests**

5.1 Each Director shall submit their declaration of conflict of interest to the Secretary General no later than 4 weeks after their election. Directors who fail to send the declaration of conflict of interest by that time will see their rights revoked, including their voting rights.

## **6.0 Meetings and meeting notices**

6.1 The time between the Ordinary General Meeting and the first meeting of the new Board of Directors shall not exceed two months.

6.2 Meetings of the Board of Directors may be held in France or abroad as determined by the President on behalf of the Board of Directors.

6.3 The Board of Directors may meet without any particular formality being required and at any time and in any place that it shall choose provided that any Directors who are absent when such decision is made receive a written notice sent by the Secretary indicating the place, date and time of the next meeting.

6.4 Exceptional meetings of the Board of Directors may be decided upon and convened by the President. Written notices specifying the reason for the meeting shall be sent by the Secretary to each of the Directors:

- a) sent by post to the professional address or to the last known home address at least seventy-two hours before the meeting; or
- b) sent by email to the CFA Society France email address of the Directors no later than 24 hours prior to the meeting.
- c) delivered by hand or by any reliable means of electronic communication at least twenty-four hours before the meeting.

It shall not be necessary to issue a meeting notice to a Director if a notice of refusal of summons has been drawn up before or after the meeting or if the Director participates in the meeting and does not make any objection before or at the beginning of the meeting.

6.5 Notices of Board of Directors Meeting do not necessarily have to include the meeting agenda.

## **7.0 Chair and recording of the proceedings**

7.1 The President shall chair the Board of Directors Meetings. The Secretary shall be responsible for the recording of the proceedings and, in their absence, a temporary secretary shall be appointed by the President.

## **8.0 Quorum and voting procedure**

8.1 Each Director is entitled to one vote which may only be cast in person.

8.2 Quorum shall be reached at a Board of Directors Meeting when a majority of the Directors are present.

8.3 If quorum is not reached, a Board of Directors Meeting may be adjourned and postponed to another date and place.

8.4 When quorum is reached, a Board of Directors Meeting which has been postponed may address the same subjects as it should initially have dealt with.

8.5 When quorum is reached, any resolution which does not contradict the bylaws, the Rules and Order of the Society nor the law, may be passed by a majority of the Directors present.

## **9.0 Vacancies**

9.0 In case of a vacancy for a Director position, with the exception of the Officers, the other Directors may appoint a replacement until the expiry of the term of office and the election of a successor at the next election of the Board of Directors.

## **10.0 Resignation**

10.1 Any Director may resign at any time by sending a resignation letter to the headquarters of the society or to another member of the Board of Directors.

A resignation shall take effect upon its receipt or on the date specified and, unless otherwise specified, its acceptance is not required.

## **11.0 Dismissal**

11.1 In the event of a repeated breach of their undertakings (repeated absences undermining the Board of Directors Meetings, repeated and unwarranted postponement of planned actions...), a Director may be removed from office if so decided upon by an absolute majority of votes, the Director involved taking no part in the vote. An email specifying the reasons for the summons shall then be sent with at least ten days' notice to the Director involved offering the latter a contradictory meeting.

## **12.0 Resolution by acceptance of the members of the Board of Directors**

12.1 Any Board of Directors decision may be made without the board being required to meet provided that all of the Directors with voting rights give their written consent to such decision.

12.2 The Secretary shall record the written agreements in the minutes of the Board of Directors Meetings.

12.3 Decision by acceptance shall be treated in every respect as a decision voted by the Board of Directors with the required quorum.

## **ARTICLE VI**

### **Officers**

#### **1.0 Definition**

1.1 The officers of the Society shall be a President, a Vice-President, a Treasurer and a Secretary.

#### **2.0 Qualification**

2.1 The officers shall be selected among the members of the Board of Directors.

#### **3.0 Election and appointment**

3.1 The President, Vice-President, Treasurer and Secretary shall be:

- a) elected by the Directors at their first meeting following the Annual General Meeting;
- b) appointed for a duration of one year as from their election and until their successor has been elected and taken up their duties.

#### **4.0 President**

4.1 The President shall be responsible for the general management of the society and, under the authority of the Board of Directors, shall:

- (a) supervise and monitor the activities of the society;
- (b) chair all General Meetings of the members and meetings of the Board of Directors;
- (c) be an ex-officio member of all the committees of the society with no voting rights unless otherwise appointed;
- (d) have the powers and exercise the responsibilities entrusted to them by the Board of Directors.

#### **5.0 Vice-President**

5.1 The Vice-President shall:

- (a) have the powers and exercise the responsibilities entrusted to them by the Board of Directors;
- (b) have the powers and exercise the responsibilities of the President in the event that the latter is absent or unable to perform their duties;
- (c) become the acting President in the event of death or resignation of the President until the end of the term of office or until a new President is elected.

## **6.0 Treasurer**

6.1 The Treasurer shall:

- (a) be responsible for the finances of the society under the authority of the Board of Directors;
- (b) be responsible for the safekeeping of precise and accurate accounting records of the society which shall be accessible for inspection by the President or any other Director;
- (c) submit an annual financial report and any other report requested by the Board of Directors;
- (d) regularly inform the Board of Directors of the state of the accounts and of the financial situation of the society.

## **7.0 The Secretary**

7.1 The Secretary shall:

- (a) record and file the minutes of all of the General Meetings and Board of Directors Meetings;
- (b) notify the members and the Directors of meetings to be held in accordance with the bylaws;
- (c) maintain all registers of the society not under the responsibility of the Treasurer;
- (d) exercise the responsibilities entrusted to them by the Board of Directors.

## **8.0 Delegation of powers**

8.1 In the event of absence or incapacity of an Officer, or for any other reason deemed justified by the Board of Directors, the latter may, by a majority vote of the members, delegate the powers and responsibilities of an Officer to any other Officer or to any Director or declare the position vacant.

## **9.0 Vacancies**

9.1 If a position becomes vacant, the duties of the position may be performed by the Board of Directors until the expiry of the term of office of the Officer whose position is vacant or until a replacement is elected or appointed.

## **10.0 Resignation**

10.1 Any Director may resign at any time by sending a resignation letter to the headquarters of the society or to another member of the Board of Directors.

A resignation shall take effect upon its receipt or on the date specified and, unless otherwise specified, its acceptance is not required.

## **11.0 Dismissal**

11.1 Officers elected or appointed by the Board of Directors may be dismissed with or without cause by a majority vote of the members of the Board of Directors.

## **ARTICLE VII**

### **Committees**

#### **1.0 Creation, appointment and composition**

1.1 The Board of Directors may create committees for which it shall establish:

- (a) the members of the society which shall make up the committee; and
- (b) the powers to be granted to the committee.

1.2 The President shall appoint the Chair of each committee from among its members and shall be an ex-officio member of each committee with no voting rights unless otherwise appointed as a member of a committee.

1.3 Any committee to which powers are granted by the Board of Directors may only be chaired by an affiliate member, a regular member or a candidate member.

1.4 All of the members of the committees shall hold office until 1 July of the year following their appointment or election unless otherwise decided upon by the Board of Directors.

1.5 The list of commissions must be aligned with the organization of CFA Institute and be part of CFA Institute's strategy and key initiatives. This list must be submitted to the vote of the Board of Directors.

## **ARTICLE VIII**

### **Ethics**

#### **1.0 Ethics (“Code of Ethics and Standards of Professional Conduct”)**

1.1 The society is affiliated to CFA Institute. As such, it adopts the CFA Institute Code of Ethics and Standards of Professional Conduct and requires its members to comply with the rules and principles set out therein.

1.2 The society adopts the Candidate Responsibility Statement and requires its members to comply with the rules and principles set out therein.

#### **2.0 Implementation**

2.1 The society

(a) delegates the authority and responsibility to monitor compliance with the Code of Ethics and Standards of Professional Conduct to CFA Institute;

(b) shall inform CFA Institute of any breach of the Code of Ethics and Standards of Professional Conduct of which it becomes aware.

2.2 Any member of the society who is temporarily or definitively excluded from CFA Institute shall be:

(a) automatically temporarily or definitively excluded from the society;

(b) suspended from its duties within the society.

#### **3.0 Compliance with the code**

3.1 By virtue of his or her membership of the society, and in order to remain a member thereof, each member acknowledges that he or she is subject to the CFA Institute Code of Ethics and Standards of Professional Conduct. Any breach of the rules set out by such code may result in disciplinary action being taken by CFA Institute.

#### **4.0 Annual statement**

4.1 Each member shall (a) unless exempted from doing so under the bylaws of CFA Institute, complete and return a Professional Conduct Statement; and (b) provide any additional information relating to his or her professional conduct which CFA Institute may request. At the request of CFA Institute, the society may collect the Professional Conduct Statements from its members and transmit them to CFA Institute.



## **5.0 Complaints**

5.1 Any person may make a written complaint to the society or to one of its Directors in relation to a breach of the CFA Institute Code of Ethics and Standards of Professional Conduct or of the Candidate Responsibility Statement. The Board of Directors shall diligently transmit such complaints to the relevant department of CFA Institute. The plaintiff may request that his or her complaint remain confidential until it is received by CFA Institute.

## **ARTICLE IX**

### **Dissolution**

#### **1.0 Procedure**

1.1 The society may be dissolved by a qualified majority vote of three quarters of its regular members and affiliate members.