



Setting a higher standard

Annual Report 2011



**Léon
Kirch
President**

1 Introduction to the Annual Report

Dear members,
Dear candidates,

I am writing these lines on an iPad as I sit on a TGV on my way to a business meeting in Paris. Not that this is of interest by itself, but I believe it shows one important point. It just demonstrates how dramatically the world has evolved in the last past 9 years I had the honor to serve you as President of the Luxembourg CFA Society. Innovation has improved our daily lives dramatically. Our professional lives have been rich and, to say the least, not boring as we went through the aftermaths of the Internet bubble and have been dealing since 2007 with the consequences of excessive leverage on the private and sovereign level, financial innovation gone awry and a currency crisis putting the basis of more than 50 years of European construction into question.

The professional standards and values the three letters CFA stand for have however not been put into question in this turmoil. On the contrary, CFA charterholders and CFA Institute have been increasingly consulted and involved in the process of finding answers to the complex and difficult challenges facing the financial industry. In my opinion three points stick out that make CFA charterholders particularly interesting:

1. Their knowledge enabling them to understand the complexity of today's financial globally interconnected financial system, adapt to it and provide innovative solutions.
2. The high professional standards that are shared by a large global community and
3. The absence of partisanship as CFA Institute represents individuals and not regions or banks.

That is the reason why I am convinced CFA Institute as a global organization and Luxembourg CFA Society as its local pendant are well alive and fulfill an important function. You may wonder why, in this year's introduction, I take such a perspective instead of focusing on the activity report of last year. To make matters short, I have decided that after serving 3 full terms or 9 years as President, time had come for the Society and myself to move on and make room for new thoughts and ideas.

Instead of making a list of the achievements of the last 9 years (which you are anyhow probably more able to judge by yourselves) let me point out what I believe are the core strengths of the Luxembourg Society as I see them today:

- a. We have a group of very motivated and highly qualified investment professionals who are committed to bring the Society forward. Without their motivation, we would not make progress as a Society. This goes from the organization of events, prep courses for candidates, university liaison, the charter awards ceremony, the GIPS efforts and much more.
- b. We have put the Luxembourg CFA Society "on the map" in the global CFA network. This is a tremendous achievement considering the less than 170 membership in an organization of more the 100000 members.
- c. The events we organize are of good quality, cover numerous areas of interest and have increased to at least one a month.
- d. The local CFA Society is recognized by key organization in the Luxembourg financial industry including CSSF, ABBL, LFF and LSF as a credible discussion partner who brings value to the table.

A lot more can be done in these areas. With the newly elected existing board members around Philippe Bernard who stands as candidate for my succession I am sure a lot will be done. I am very happy Philippe accepted to take over from me as I believe the local Society could not find a more qualified, experienced and committed investment professional to lead it.

Finally I wanted to thank all of you who have worked with me on the CFA Society over the last 9 years. I look forward to meet them again at one of our next events.

Faithfully yours,

Leon

2 Activity report

While we believe in sound and transparent finances, the real raison d'être for the Luxembourg CFA Society is to provide intangible services for our membership. We offer our members continuing education, networking opportunities and points of contact in the local banking and financial sectors. We help our CFA candidates to prepare successfully for their exams. We get together to celebrate our new CFA charterholders. We liaise with the CFA Institute, in order to tap into the rich resources available there, such as upgrade our website, provide speakers, society leadership development and organisational support.

A majority of these events would not be possible without the support of our sponsors. Thomson Reuters is our main sponsor for continuing education events and has been generous in providing a venue for our events and catering. Kneip hosts our GIPS working group meetings.

In 2009 the Board set the goal of one event per month. We are proud to say that this goal was exceeded substantially and also that most events attracted an audience of between 30 and 50 members, networking events typically even more than that.

The table below gives an overview of the events held in 2011:

	Date	Event	Speaker(s)	Type of Event	Location
1	27/01/2011	Investing in Africa – the attractiveness of frontier markets	Zin Bekkali, Silk Invest	lecture, 0.5 CE credits	Thomson Reuters
2	02/02/2011	Investment Management after the Crisis	Prof. Sergio Focardi	lecture, 1 CE credit	Thomson Reuters
3	09/03/2011	Ethics event: the New Standard of Practice Handbook	Robert M. Luck (Director - Society Advocacy Engagement for CFA Institute)	lecture, 1 CE/SER credit	Thomson Reuters
4	10/03/2011	CFA Exam Coaching Event		exam preparation	Cercle Munster
5	04/04/2011	AGM & Presentation on Financial & Business Modelling	Nicolas Bolland Emmanuel De Villeneuve Esclapon		Sofitel Kirchberg
6	03/05/2011	Measuring return in Private Equity – concepts, historical evidences and impact on portfolios construction	Pierre-Yves Mathonet, Head of Private Equity Risk Management, European Investment Fund In cooperation with Sacred Heart University	lecture, 1 CE credit	Thomson Reuters
7	12/05/2011	Luxembourg CFA Career event	Presentation & roundtable with employers, head hunters & other players	Society, career	Chambre de Commerce
8	24/05/2011	Investing in style: Facts and fiction in Size, Value, and Momentum Portfolios	Marco Navone, Assistant Professor of Finance, University Bocconi In cooperation with Alumni Bocconi	lecture, 1 CE credit	Thomson Reuters
9	07/06/2011	"Developing Emotional intelligence skills to help client distress"	Richard Peterson	lecture, 1 CE credit	Live Webinar
10	09/06/2011	Happy Hour - post exam drink		Social event	Vinoteca
11	21/09/2011	Back2work drink		Social event	Cafetin de Buenos Aires
12	17/10/2011	Modelling and measurement of stock market overreaction	Pr. Ralph Friedmann	lecture, 1 CE credit	Thomson Reuters

			Pr. Günter Schmidt In cooperation with University Saarbrücken		
13	16/11/2011	Luxembourg CFA new country GIPS sponsor: "Enhancing Global Competitiveness"	Jonathan A. Boersma, CFA, Executive Director	lecture, 1 SER credit	Thomson Reuters
14	01/12/2011	Charter Award Ceremony	Dr Giuseppe Ballochi, CFA, Member of the Board of Governors of CFA Institute	new charterholder welcome	Cercle Munster

A continuously updated calendar of upcoming events can be found on our webpage: www.membersocieties.org/luxembourg.

Focus on Luxembourg CFA Career event

During his introductory word, Leon Kirch emphasized on the evolution of the CFA society the last 9 years of its existence. Importantly, the number of members has increased from 2 to about 150 the last decade. Matteo Candolfini (member of the board, in charge of the career development in Luxembourg) highlighted the benefits of the designation: higher standards of ethics, higher technical skills, increasing access to an important network of professionals, a demonstration of willingness to move forward on her career in an ever changing economic and financial environment, etc....

To start with, all the participants agree that working in Luxembourg and having the CFA designation is a smart career move. Nevertheless, Luxembourg is not anymore what it used to be. The demand for workers was higher than the supply, particularly through the period preceding the financial crises. Finding the "right candidate" has always been a challenge, which is actually the way it should be, independent on the market conditions. However, not only the crises has brought some difficulties, but more importantly the market integration, the globalization phenomenon of the financial markets requires for more demanding and specific qualifications. This is exactly what the CFA designation should bring, a common benchmark making possible a fair ranking amongst candidates. Although the experience in a particular field remains and will remain the most valuable asset, clients are younger and more knowledgeable on investment management techniques. Today's clients are more comfortable having somebody with either the designation or involved in the program to take care of their portfolio.

This brings us to the issue of "knowledge" from the employer's side. Are recruiters, HR people, and supervisors aware of the program? Do they realize the efforts, the value added of being involved and having the designation? Do they specifically look for the CFA charter holders? It seems that the case is growing in Luxembourg. For that purpose, training and continuing education are also proposed from the Luxembourg School of Finance which is strengthening the linkages with our local CFA Society. According to the participants, candidates should be open to "recycling" and enlarge their scope of career development. On the other side, companies should also put more efforts in retaining or attracting the qualified, "right people" and providing the necessary support for further education. The employer's "Branding" is very important for someone either willing to "recycle" or for the current employees. It will contribute in more optimal allocation of human capital and will bring efficiency in the job market.

Focus on Candidates

The Luxembourg CFA Society continued to offer CFA exams candidates in Luxembourg a full CFA Exam preparation course choice in collaboration with Top Finance.

Two preparation course sessions were organized in 2011 aimed at supporting candidates in their preparation for the CFA Exam June session as well as the CFA Level I exam December session.

The preparation course sessions started on January 29th for Level I exam candidates and February 5th for Level II candidates.

Along with the preparation courses, the Luxembourg CFA Society has been active with the organization of a mock exam and a review session that took place on May 21st for the Mock Exam and May 22nd for the review session and saw the participation of 49 candidates across the three levels of the CFA program exams.

A second Mock exam and review session has been administered on November 26th for the CFA Level I exam session in December with 18 candidates participating.

In order to give candidates a flavour of the way the exam takes place as well as some guidelines on how to improve the probability to succeed at the exam, the Luxembourg CFA Society gathered together the local candidates for an information session, the CFA Program Workshop, that took place on June 21st with the participation of the members of the board, CFA exam former graders as well as the person that administer the preparation courses in Luxembourg. A second workshop was organized on December 7th.

Focus on Advocacy

Advocacy means addressing the issues of integrity and ethics in the financial services industry and in the behaviour of investment professional. Advocacy promotes the value of the CFA charter and code and standard. Advocacy foster ethical practices and market integrity. Advocacy is targeted to investors, clients, employers and policy makers.

As a local investment professional body contribution to the improvement of fair representation and full disclosure of investment performance in Luxembourg, The Luxembourg CFA Society announced on November 16th, 2011, that the GIPS Executive Committee has endorsed them as an official sponsor of the Global Investment Performance Standards, or GIPS[®] standards, for the Luxembourg market.

Based on the principles of fair representation and full disclosure, the GIPS standards provide a global, ethical framework for the calculation and presentation of investment performance for investment management firms. The GIPS standards benefit two main groups: 1) investment management firms and 2) their current and potential investing clients (including the investment consultants whose job is to evaluate, supervise, hire, and dismiss investment management firms on behalf of those clients).

The GIPS Country Sponsor role compliments the Society mission to promote high ethical and professional standards within the investment community. As new GIPS standards came into effect in January 2011, we felt it was more important than ever that GIPS should be actively represented in Luxembourg. Our aim is to promote the GIPS Standards amongst all stakeholders and to provide local market feedback on the standards to the CFA Institute GIPS Committees. We believe that setting high, globally accepted standards for performance reporting to existing and prospective clients will provide further support to the growth and reputation of Luxembourg as a financial centre."

This achievement was the result of the dedicated work of a group of volunteers in the GIPS working group. Improvements continue to be made to improve the layout and presentation of events and activities on the Society website. A new tab for GIPS was added to provide greater visibility to the wide array of GIPS resources available online. A volunteer tab was set up to acknowledge the value the Society places on volunteer contributions.

3 Society Financials

Our association has three main sources of funding:

- Membership fees
- Financial support from the CFA Institute
- Sponsorship

Sponsorship has become more important as the number of activities has increased. Most of the larger events held during the year were sponsored by corporations that were directly targeted during the organization of the respective event.

These financial statements are primarily cash based, with some accruals considered specifically provided for.

The annual accounts for the years ended December 31st, 2010 and December 31st, 2011 were audited independently by Allan Saustrup Jensen and Yves Bodson. Both statutory auditors issued unqualified auditor's letters, added at the end of the report.

Income Statement for the year ending December 31,2011				
INCOME (in EUR)				
			2011	2010
Membership fees			6,759	6,180
CFA Institute			15,269	9,135
Interest income			130	142
Miscellaneous			-	-
Total income			22,158	15,457
Expenditure (in EUR)				
Events & presentations			5,584	11,305
Equipment purchase			575	-00
Administrative expenses			2,548	794
Legal cost				
Exchange (gain)/loss			(796)	(64)
Exceptional item cost re 2008			-	-
Total expenditure			7,911	12,035
Surplus / (Deficit)			14,247	3,422
Balance Sheet at December 31,2011				
ASSETS (in EUR)				
Cash accounts			41,893	27,679
Total assets			41,893	27,679
LIABILITIES & EQUITY (in EUR)				
Short term creditor			-	33
Equity at beginning of year			27,646	24,224
Surplus of the year			14,247	3,422
Equity at the end of year			41,893	27,646
Total Liabilities & equity			41,893	27,646

*) Expenditure: Exchange (gain)/loss represent the effect of the strengthening/weakening exchange rate on USD cash and income during the respective year.

4 Luxembourg Society statistics

4.1 Trends

4.1.1 Member trends

Society Name: Luxembourg CFA Society

Member Year	Total Members	Growth	% Growth	Charterholder	Growth	% Growth	Non-Charterholder	Growth	% Growth
1994	0	0	0.0%	0	0	0.0%	0	0	0.0%
1995	0	0	0.0%	0	0	0.0%	0	0	0.0%
1996	0	0	0.0%	0	0	0.0%	0	0	0.0%
1997	0	0	0.0%	0	0	0.0%	0	0	0.0%
1998	0	0	0.0%	0	0	0.0%	0	0	0.0%
1999	0	0	0.0%	0	0	0.0%	0	0	0.0%
2000	0	0	0.0%	0	0	0.0%	0	0	0.0%
2001	0	0	0.0%	0	0	0.0%	0	0	0.0%
2002	0	0	0.0%	0	0	0.0%	0	0	0.0%
2003	40	40	100.0%	36	36	100.0%	4	4	100.0%
2004	64	24	60.0%	50	14	38.9%	14	10	250.0%
2005	106	42	65.6%	92	42	84.0%	14	0	0.0%
2006	118	12	11.3%	96	4	4.3%	22	8	57.1%
2007	150	32	27.1%	125	29	30.2%	25	3	13.6%
2008	151	1	0.7%	132	7	5.6%	19	-6	-24.0%
2009	160	9	6.0%	146	14	10.6%	14	-5	-26.3%
2010	166	6	3.8%	150	4	2.7%	16	2	14.3%
2011	165	-1	-0.6%	147	-3	-2.0%	18	2	12.5%

4.1.2 Candidate trends

Candidates Enrolled - Luxembourg CFA Society

Trends by Exam Year and Offering

Fiscal Year	Exam Year	Exam Offering	Registrations
1981	1981	June	1
1982	1982	June	1
1985	1985	June	1
1986	1986	June	1
1987	1987	June	1
1988	1988	June	1
1989	1989	June	6
1990	1990	June	6
1991	1991	June	7
1992	1992	June	5
1993	1993	June	5
1994	1994	June	7
1995	1995	June	11
1996	1996	June	22
1997	1997	June	24
1998	1998	June	32
1999	1999	June	60
2000	2000	June	103
2001	2001	June	131
2002	2002	June	219
2003	2003	June	219
2004	2003	December	42
2004	2004	June	164
2005	2004	December	38
2005	2005	June	132
2006	2005	December	39
2006	2006	June	136
2007	2006	December	49
2007	2007	June	146
2008	2007	December	89
2008	2008	June	183
2009	2008	December	98
2009	2009	June	228
2010	2009	December	126
2010	2010	June	292
2011	2010	December	111
2011	2011	June	276

4.2 Member demographics

Charterholder

Charterholder	Active Members	% of Total	Unaffiliated Members	% of Total	Society Region	% of Total
Charterholder	150	85.2%	19	100.0%	11,657	84.0%
Non-Charterholder	26	14.8%	0	0.0%	2,222	16.0%
Total	176		19		13,879	

Gender

Gender	Active Members	% of Subtotal	Unaffiliated Members	% of Subtotal	Society Region	% of Subtotal
Female	31	17.6%	0	0.0%	2,317	16.7%
Male	145	82.4%	19	100.0%	11,553	83.3%
Subtotal / % of Total	176	100.0%	19	100.0%	13,870	99.9%
No Data	0		0		9	100.0%
Subtotal / % of Total	0	0.0%	0	0.0%	9	0.1%
Total	176		19		13,879	

Occupation

Which of the following BEST describes your primary job function or responsibility?

Occupation	Active Members	% of Subtotal	Unaffiliated Members	% of Subtotal	Society Region	% of Subtotal
Accountant/Auditor	7	4.5%	1	6.3%	288	2.3%
Broker	0	0.0%	0	0.0%	207	1.7%
Chief Executive	11	7.1%	4	25.0%	737	5.9%
Consultant	9	5.8%	0	0.0%	863	6.9%
Corporate Financial Analyst	5	3.2%	0	0.0%	492	4.0%
Financial Advisor	4	2.6%	0	0.0%	407	3.3%
Investment Banking Analyst	8	5.2%	0	0.0%	716	5.8%
Manager of Managers	7	4.5%	1	6.3%	326	2.6%
Portfolio Manager	51	33.1%	5	31.3%	3,642	29.3%
Private Banker	7	4.5%	1	6.3%	244	2.0%
Relationship Manager	9	5.8%	2	12.5%	689	5.5%
Research Analyst	2	1.3%	0	0.0%	1,737	14.0%
Risk Manager	11	7.1%	1	6.3%	738	5.9%
Strategist	6	3.9%	0	0.0%	414	3.3%
Trader	2	1.3%	0	0.0%	389	3.1%
Other	14	9.1%	1	6.3%	433	3.5%
Performance Measurement Specialist	1	0.6%	0	0.0%	112	0.9%
Subtotal / % of Total	154	87.5%	16	84.2%	12,434	89.6%
No Data	22	100.0%	3	100.0%	1,445	100.0%
Subtotal / % of Total	22	12.5%	3	15.8%	1,445	10.4%
Total	176		19		13,879	

Top Employers of Luxembourg CFA Society (Total Membership=176)

Rank	Employer Name	CFA Charterholders	Non-Charterholder Members	Total Members
1	EIB (European Investment Bank) Group	20		20
2	Dexia Group	10		10
3	KPMG	7	1	8
4	Banque de Luxembourg	5		5
4	KBC Group	5		5
4	Nordea	5		5
4	PricewaterhouseCoopers	5		5
4	Societe Generale	5		5
4	UBS	4	1	5
10	BNP Paribas	4		4

4.1 Candidate demographics

Gender

Gender	New Level I		Repeat Level I		Level II		Level III		Count	% of Subtotal
	Count	% of Subtotal	Count	% of Subtotal	Count	% of Subtotal	Count	% of Subtotal		
Female	13	28.0%	13	27.7%	27	27.3%	11	18.0%	64	24.9%
Male	37	74.0%	34	72.3%	72	72.7%	50	82.0%	193	75.1%
Subtotal / % of Total	50	100.0%	47	100.0%	99	100.0%	61	100.0%	257	100.0%
Total	50		47		99		61		257	

Age Range

Age Range	New Level I		Repeat Level I		Level II		Level III		Count	% of Subtotal
	Count	% of Subtotal	Count	% of Subtotal	Count	% of Subtotal	Count	% of Subtotal		
21 - 25	7	14.0%	3	6.4%	8	8.1%	1	1.6%	19	7.4%
26 - 30	29	58.0%	20	42.6%	50	50.5%	16	26.2%	115	44.7%
31 - 35	9	18.0%	15	31.9%	26	26.3%	26	42.6%	76	29.6%
36 - 40	4	8.0%	7	14.9%	12	12.1%	16	26.2%	39	15.2%
41 - 45	1	2.0%	2	4.3%	2	2.0%			5	1.9%
46 - 50					1	1.0%	2	3.3%	3	1.2%
Subtotal / % of Total	50	100.0%	47	100.0%	99	100.0%	61	100.0%	257	100.0%
Total	50		47		99		61		257	

Occupation

Which of the following BEST describes your primary job function or responsibility?

Occupation	New Level I		Repeat Level I		Level II		Level III		Count	% of Total
	Count	% of Total	Count	% of Total	Count	% of Total	Count	% of Total		
Accountant/Auditor	8	20.5%	14	38.9%	28	32.2%	5	9.3%	55	25.5%
Consultant	9	23.1%	4	11.1%	7	8.0%	10	18.5%	30	13.9%
Financial Advisor	2	5.1%	1	2.8%	4	4.6%	1	1.9%	8	3.7%
Investment Banking Analyst	2	5.1%	1	2.8%	2	2.3%	1	1.9%	6	2.8%
Manager of Managers	1	2.6%							1	0.5%
Portfolio Manager	4	10.3%	1	2.8%	5	5.7%	6	11.1%	16	7.4%
Private Banker	2	5.1%	5	13.9%	4	4.6%			11	5.1%
Relationship Manager	3	7.7%	2	5.6%	5	5.7%	4	7.4%	14	6.5%
Research Analyst	1	2.6%			2	2.3%	3	5.6%	6	2.8%
Risk Manager	3	7.7%	3	8.3%	9	10.3%	8	14.8%	23	10.6%
Strategist	1	2.6%					2	3.7%	3	1.4%
Trader	1	2.6%			5	5.7%	3	5.6%	9	4.2%
Other	2	5.1%	2	5.6%	9	10.3%	4	7.4%	17	7.9%
Corporate Financial Analyst			2	5.6%	6	6.9%	7	13.0%	15	6.9%
Performance Measurement Specialist			1	2.8%					1	0.5%
Chief Executive					1	1.1%			1	0.5%
Subtotal / % of Total	39	78.0%	36	76.6%	87	87.9%	54	88.5%	216	84.0%
No Data	11	100.0%	11	100.0%	12	100.0%	7	100.0%	41	100.0%
Subtotal / % of Total	11	22.0%	11	23.4%	12	12.1%	7	11.5%	41	16.0%
Total	50		47		99		61		257	

5 Board of Directors

Position	Name	On the board since	Current term expiring ^{*)}	New term expiring ^{*)}
President	Philippe Bernard	2002 (new in the function)	2014	
Vice President and Treasurer	Knut Reinertz	2002 (founding member)	2012	2015
Vice President	Antonio Grieco	2005 (new in the function)	2014	
Secretary	Elke Valila	2010	2014	
Director	Arndt Nicolaus	2002 (founding member)	2012	2015
Director	Marc Fohr	2007	2013	
Director	Matteo Candolini	2009	2013	
Director	Carolyn Linnevers	2010	2014	
Director	Adela Baho	New		2015

^{*)} The table refers to the calendar year, i.e. a term expiring in CY 2012 runs until the Annual General Meeting scheduled to be held in the

President



Philippe Bernard, CFA, is Manager of Credit Suisse AG Luxembourg Branch and member of Senior Management at Credit Suisse (Luxembourg) S.A., where he oversees asset management, financial consulting and treasury activities. Mr Bernard joined Credit Suisse in Luxembourg in 1995 as head of portfolio management and chair of the investment committee. He previously gathered experience at UBS in different locations. Mr Bernard is also a founding member of the Swiss CFA Society. He has graded CFA exams for several years and was representing Europe at the Private Wealth Advisory Committee. In addition to holding a CFA charter, Mr Bernard is "Eidgenössisch Diplomierter Bankfachmann". He holds the chair for Advocacy

Vice President and Treasurer



Knut Reinertz, CFA, was born in Luxembourg in 1963 and grew up in Belgium, Luxembourg and Finland. He graduated in 1987 from the University of Trier in Germany with majors in Finance and Banking. After working for BGL in Luxembourg in the institutional portfolio management department until 1990, he spent some years in Finland and Canada. In 1993 he rejoined BGL, this time in Hong Kong where his last position held was Chief Representative and General Manager. Knut became a CFA Charterholder in 1996. In 2002 he moved back to Luxembourg, heading the department in charge of New Markets in Fortis private banking division. At the end of 2007, he started Edison Capital Partners s.a., a Luxembourg-based Private Office, advising a handful of UHNWI. Knut is Society Vice President and Treasurer. He chairs the volunteer committee.

Vice



Antonio Grieco, CFA since 2003, holds a University degree from both the University of Parma (Italy) and EHSAL Business School (Brussels). He started his career in the financial sector in 1999 as an equity analyst in the high tech sector for CONSEUR S.A., a non-profit organization set up by several European Associations of consumers. Two years later, Antonio joined Dexia Bil's dealing room as an equity analyst and sales manager to Institutional Customers. In 2001 Antonio moved to Dexia's Private Banking Department where he was in charge of the Mediterranean Market. Apart from advising private banking customers, Antonio was also member of the Global and Local Asset Allocation Committees, which set the asset allocation policies for the discretionary managed accounts. In September 2006 Antonio joined Fidelity International S.A. where he worked in the Pan-European Communication Department and focused, among other things, on fund analysis, fund positioning and research and product strategy.

In June 2008 Antonio joined Dexia Asset Management as Senior Institutional Sales Manager looking after the distribution of Dexia fund in Luxembourg while most recently and since October 2011, he has taken over the role of Head of Institutional Sales at Dexia Asset Management in Luxembourg. He holds the CFA Courses Chair.

President

Secretary



Elke Valila, CFA, was born in Austria in 1969. She holds a Master's degree in International Economic and Business Sciences (Mag. rer. soc. oec.) from the University Of Innsbruck, Austria, and received her CFA charter in 2001. Prior to the current family break, Elke worked in Private Real Estate Finance (Bausparkasse Wüstenrot, Salzburg, Austria), Corporate Banking (Rabobank Deutschland, Frankfurt/Main, Germany), Capital Markets (Rabobank Deutschland, Frankfurt/Main, Germany; World Bank, Washington, DC) and Private Banking (Nordea Bank SA, Luxembourg). She has served as Society Secretary for the Luxembourg CFA Society since 2010.

Directors



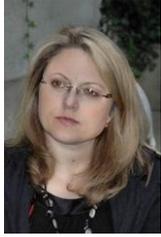
Matteo Candolfini, CFA, was born in Cesena, Italy, in 1980. He studied at the University of Bologna and graduated in Computer Science in 2003. After briefly working as an IT Business Consultant, he moved to Luxembourg and joined Eurizon Capital (formerly known as Sanpaolo Asset Management S.A.), where he worked in quantitative analysis and portfolio management. In August 2007, Matteo joined ING Private Capital Management, first as Portfolio Manager of two asset allocation funds for private banking clients and then as hedge fund analyst. In August 2010 he moved to Ikano Fund Management where he is currently working as Risk Manager. He holds the Technology Chair and Career Development Chair.



Marc Fohr, CFA, was born in Luxembourg in 1973. He studied at the University of the Saarland, Saarbrücken, and graduated in 1998 with a Major in Business Administration. After being European Equity Portfolio Manager for 6 years at Salomon Brothers/Citigroup Asset Management, Frankfurt/Main, Marc joined Allianz Global Investors, Frankfurt/Main, in 2004 where he was responsible for managing institutional and mutual funds with global equity exposure. Since 2006, he has been working for Sanpaolo Asset Management (renamed as Eurizon Capital), Luxembourg, as Senior Portfolio Manager for retail funds with European equities. Marc became CFA charterholder in 2002 and is a Board Member of the Luxembourg CFA Society since 2007. He chairs the following: University Liaison.



Arndt Nicolaus, CFA, was born in Montabaur (Germany) in 1967. He studied finance in Germany and in the US and received a Bachelor of Commerce Degree in Business Administration (Diplom-Kaufmann) from the University of Trier in 1993. After starting his career at Fidelity Investments (Luxembourg) S.A., Arndt was employed as a Senior Portfolio Manager with Credit Suisse (Luxembourg) SA for 10 years. In 2005, he joined LRI Invest S.A. as a Senior Fund Manager overseeing all equity products; since 2010 he serves as Senior Compliance Officer. He was awarded the CFA charter in 1998 and has been actively involved in CFA Institute since by serving on the Candidate Curriculum Committee Working Body, as a Standard Setter for the Level I&II exam and as an exam grader for Level II&III. He is a Director of Luxembourg CFA Society and holds the following chairs: Program and Continuing Education.



Carolyn Linnevers, was born in the United States and holds dual American and Dutch nationalities. She graduated from the University of Connecticut in 1986 with a BA cum laude in Latin American Studies with a concentration in economics. She has been a long standing member of the CFA Institute (formerly AIMR) dating back to the early days of her career in New York. She worked in the asset management business in New York as an assistant portfolio manager for non-US equity investment funds for NSM Lepercq and as an asset management specialist and relationship manager for ABN AMRO Securities from 1987 to 1991. She then moved on the Coutts & Co (Jersey) Ltd where she headed the private client portfolio management department and was a member of the Coutts offshore global asset allocation committee. During a brief period in the Netherlands she passed the Level 1 CFA exam and was an investment adviser for Smith Barney in Amsterdam. After coming to Luxembourg in 1995, she was a volunteer board member and President of the American Women's Club and founded an investment club. Since 2001, Carolyn

has worked for Clearstream Banking in Luxembourg as Vice President, Product Management and Design. She is a regular participant in the CFA Institute continuing education program. She was elected to the Luxembourg CFA Society Board in 2010 and presently serves as the GIPS chairperson.



Adela Baho, was born in Tirana, Albania. Multilingual, she graduated from the University of Geneva and HEC Lausanne Business School in Switzerland where she obtained a Post-graduate Degree of Sciences in Economics. She was awarded the Prize for the excellence of her studies in 2003. After one year as professor assistant at the University of Geneva, teaching in International Finance and Quantitative Portfolio Management, she firstly worked as Basel II Credit Research analyst at Hypo Real Estate Group in Luxembourg, before taking on responsibilities as Senior Fixed Income Fund Manager within the KBC Private Banking Branch in Luxembourg. She has recently joined Lemanik Asset Management S.A. in the quality of Financial Risk Manager. She has passed Level I CFA exam and is a candidate for the following level. She is an active participant in the CFA Institute continuing education program. She is contributing to different activities within the Luxembourg CFA Society Board since 2012.

6 Auditor's letters

6.1 Allan Sastrup Jensen, CFA, CAIA

Luxembourg, 13. February 2012

To the members of CFA Society Luxembourg

I have been entrusted the mandate of statutory auditor for the year ended 31. December 2011. Accordingly, I have noted that the annual accounts are in agreement with the accounting records and associated documents which I have received in the context of of the audit.

Kind regards,



Allan Sastrup Jensen, CFA



To the members of CFA Society Luxembourg

I have been entrusted the mandate of statutory auditor for the year ended December 31st, 2011.

Accordingly, I have noted that the annual accounts as of December 31st, 2011 are in agreement with the accounting records and associated documents, which I have received in the context of preparing and controlling the annual financial statements as of December 31st, 2011.

Kind regards,

A handwritten signature in black ink, appearing to be "Yves Bodson", written in a cursive style.

**Yves Bodson, CFA
Statutory Auditor**

Luxembourg, March 12th 2012