



# CFA Society Netherlands

## **Minutes CFA Society Netherlands' Extraordinary General Meeting on the CFA+VBA merger held on 7 December 2017**

Date: 7 December 2017

Time: 18:14 - 19:03

Venue: De Nieuwe Poort, Amsterdam

Present: Jacco Heemskerk (Chair), Pieter van Putten, Cees Harm van den Berg (secretary and minutes), Rik Albrecht, Hilko de Brouwer, Mouna El Ouaabani, Joseph van den Heuvel, Nitin Kumar, Richard Schreuder, Mikan van Zanten, Terri Thompson (Staffed Office, non-voting),

1. Jacco Heemskerk opens the General Meeting at 18.14 and welcomes everyone. Jacco requests Cees Harm as the secretary of the meeting which Cees Harm happily accepts. Jacco points out there is a smaller group than at the annual GM where we voted on the intention to merge. The vote at the annual GM was accompanied by a lively discussion on several important aspects of the merger. The board gave detailed response on these topics during the meeting. In the end the required qualifying majority agreed on the intention to merge. On November 1st we filed our intention to merge with the Amsterdam Chamber of Commerce, and published the filing in 'Het Financieele Dagblad' of 3 November 2017, thus entering a one-month creditor protestation period (as from the date of publication). As no objections were filed by creditors that cannot be satisfactorily resolved, the Dutch District Court issued a Certificate of Non-objection.

In this Extraordinary General Meeting we will request members to confirm September's decision and vote to resolve to the merger in accordance with the merger proposal and to grant discharge to all board members of CFA Society Netherlands as of the moment at which the proposed merger becomes effective (voting item). Jacco mentions this is the formal step after many hours of preparation by both the CFA and VBA boards and staffed offices.

Since the last AGM there already have been several developments proving the benefits of this merger. There have been meetings with several companies, regulators and industry partners and all are enthusiastic to be working with one party going forwards. Also, Pieter van Putten has put a lot of effort on the MiFID II compliance, as we will be able to offer continuous professional development ('CPD') for MiFID II, making it interesting for companies and potentially growing the combined society significantly. As CFA Institute is putting more responsibilities to local societies, we can also offer more content to our members, aligning with MiFID II and focused on topics currently not sufficiently covered by the CFA and/or VBA program (local market structure, regulations and know your client). Following a question on

the role of DSI, Pieter explains that as we take care of CPD, DSI will offer the register and be the disciplinary party.

With regards to the merger, there are some questions on the details of the merger:

Jacco explains that it will be a full legal merger where the incumbent VBA society will take over the CFA Society Netherlands. We did full operational due diligence on the VBA society and they did full operational due diligence on us, supported by several external advisors on tax, accounting, legal, etc. The legal team from CFA Institute was also involved in the due diligence. With regards to the name of the combined society, there is strict guidance in the new articles of association on what the new will be and for how long. With regards to recognition of the VBA members and RBA designation holders, there will be CFA recognition for RBA title holders and current VBA member will become affiliate of regular members of the new society under the CFA Institute. We will try to keep the number of membership classes limited, but do have the option to add a local membership when needed. With regards to content, current CFA members will be getting access to all VBA content and vice versa.

On the staffed office, Jacco explains that for the moment we will merge both offices and look at the conditions of all employees to be harmonized. Current “zfp-ers” will become employees of the new society (also to reduce the potential tax risk). The staffed office will therefore consist of Anne-Marie (as country executive officer), Terri, Irma, Jennifer and a temp for the merger. As the CFA Institute is looking to give local societies more responsibilities, the activities of the staffed office will likely increase as well and could perhaps require expansion.

With regards to the finances, the combined society is looking to run a balanced budget as do both societies today. While at the moment it does not balance the budget when combining the societies, CFA Institute has provided a back stop (already wired in September 2017) to cover the losses for the years running a deficit and to cover the merger related expenses. The finances of the CFA society have been approved in the last AGM and supported by the audit committee. The board is not aware of any financial issues since the last AGM.

On the board structure, Jacco explains that there will always be a minimum of 50% CFA members on the board as CFA Institute wants an active board that is willing to cooperate with CFA Institute. There is a worry that current VBA members could be more vocal in general meetings and vote VBA-minded, but Jacco explains that the role of the board is important in setting the agenda and that it will always consider all members. Going forward it is our job to show VBA member the value of the CFA society and institute and what the role is of the CFA Institute. It is mentioned that VBA has interesting seminars with proper level of knowledge and good points for education. Cees Harm mentions that goal for the event chair is to offer at least what all members experienced before. So basically, you get twice the events.

2. Jacco mentions that he has gathered 22 proxies that allow Jacco to vote on their behalf. Jacco initiates a vote on the proposal to resolve to the merger between CFA Society Netherlands and VBA beleggingsprofessionals. Voting was done by counting hands. Cees Harm counted the votes and the vote count was checked by all attendees. The result: 32 votes in favor, including 22 proxy votes and none against. With that the proposal was approved.
3. Jacco initiates a vote on the proposal to grant discharge to all board members of CFA Society Netherlands as of the moment at which the proposed merger becomes effective. Cees Harm counted the votes and the vote count was checked by all attendees. The result: 32 votes in favor, including 22 proxy votes and none against. With that the proposal was approved and the board will be discharged once the merger is effectuated. After Jacco explains the composition of the new board (which is voted on at the VBA meeting). There is also a question if there is a quorum in the articles of association. Jacco answer that there is not, but will be in the new articles of association (which is voted on at the VBA meeting).
4. Pieter mentions that success of the merger will depend on the members, so if people want to be active we strongly recommend to apply for a volunteer position in the new society. There is also a question on the number of women in the society. At the moment 14% of our members are women but we have a higher percentage of female candidates (25%). As it is a priority of our society to increase the number of women in the industry, we will also focus on this going forward.

Jacco closed the meeting at 19:03