

Association of Foreign Banks in Switzerland
Verband der Auslandsbanken in der Schweiz
Association des banques étrangères en Suisse
Associazione delle banche estere in Svizzera

foreign banks . **in switzerland.**

Articles of Association

Articles of Association of the Association of Foreign Banks in Switzerland

Revised edition as of 14 June 2022

Name, Registered Office and Objective

Art. 1 ¹ In accordance with articles 60-79 of the Swiss Civil Code, an association has been formed under the name of «Association of Foreign Banks in Switzerland» («Verband der Auslandsbanken in der Schweiz», «Association des banques étrangères en Suisse», «Associazione delle banche estere in Svizzera»).

² The Association has its registered offices in Zurich and is entered in the commercial register.

Art. 2 The objective of the Association is to protect and to promote the common interests of its members.

Membership

Art. 3 The following foreign owned persons deploying their activities in Switzerland who hold a FINMA authorisation shall qualify for membership of the Association (hereafter «Member»):

- a) banks and branches and representatives of foreign banks in Switzerland as well as persons under Art. 1b of the Banking Act;
- b) asset managers, trustees and securities firms;
- c) managers of collective assets, fund management companies and persons who represent foreign collective investment schemes in Switzerland.

Art. 4 ¹ The Board may attribute the status of observer to natural or corporate entities which share in the Association's goals without, however, qualifying for full

membership (hereafter «Observer»).

² Unless the Articles of Association provide otherwise, the Observer shall have the rights and obligations of a Member.

Art. 5 Members or Observers shall be admitted by resolution of the Board, upon written application.

Art. 6 ¹ A Member or an Observer may resign from the Association at the end of the current month by tendering its resignation in writing.

² Membership shall lapse automatically if the Member terminates its business (e.g. by liquidation) or no longer fulfils the requirements for FINMA authorisation according to Art. 3 of the Articles of Association.

³ With termination of the status as Member or Observer, representation in any of the organs of the Association ends automatically.

Art. 7 ¹ The Board may, at any time, withdraw membership at its own discretion and without giving reasons, provided that the relative resolution has been passed by two thirds of the Board members.

² In particular, membership may be withdrawn as a result of actions contravening the Association's aim and objective.

Art. 8 ¹ Members and Observers shall be required to pay an annual contribution; the amount thereof shall be determined by the General Assembly. In the year of affiliation, the contribution shall be due pro rata temporis.

² The General Assembly shall have the power to approve any additional contributions necessary to carry out such extraordinary activities as may serve the objective of the Association.

³ Members and Observers shall not be held responsible for the liabilities of the Association.

Art. 9 ¹ Members and Observers terminating their membership in the Association shall be required to pay their annual subscription pro rata temporis up to the date of termination of membership.

² Members and Observers terminating their membership shall have no claim on the assets of the Association.

Organisation

Art. 10 The organs of the Association are:

- a) General Assembly,
- b) Board,
- c) Board Committee,
- d) Secretary General,
- e) Auditors.

a) General Assembly

Art. 11 ¹ The General Assembly shall be composed of representatives of the Members and of the Observers.

² Each Member shall have one vote at the General Assembly. Observers' participation shall be of a consultative nature.

³ In exercising its right of vote, a Member may appoint another Member to act as its proxy. However, no Member may represent more than one other Member.

Art. 12 ¹ The Ordinary General Assembly shall be held annually within six months of the closing of the accounts. It will be called by the Board.

² An Extraordinary General Assembly shall be called by the Board or the Auditors as and when necessary. In addition, the Board must call an Extraordinary General Assembly if the Ordinary General Assembly so requires, or if at least one fifth of the Members so requires in writing, stating the purpose.

- Art. 13 The Ordinary General Assembly has the following prerogatives:
1. approval of the Board's Annual Report, Statement of Accounts and Discharge of the Board;
 2. election of the Board and the Auditors;
 3. determination of the membership contributions;
 4. change of the Articles of Association and dissolution of the Association;
 5. resolution of any other business within its powers according to law or to the Articles of Association, or of matters which are brought to its attention by the Board or the Auditors.
- Art. 13^{bis} ¹ The Board is responsible for the organisation and conduct of the General Assembly. The General Assembly can be held physically or virtually (online).
- ² The format and place of the Assembly shall be determined by the Board.
- Art. 14 ¹ The invitation to the General Assembly shall be issued at least fourteen days in advance and shall include the Agenda.
- ² The invitation shall be issued in an appropriate physical or electronic form.
- Art. 15 Members' and Observers' motions that are to be included in the Agenda for the next General Assembly must be submitted to the Board in writing at least four weeks before the Assembly's date.
- Art. 16 ¹ The General Assembly shall be presided by the Chairman of the Board, or, in his absence, by one of the Deputy Chairmen or a member of the Board.
- ² The chairman shall appoint the secretary in charge of the Minutes.
- Art. 17 ¹ Each General Assembly properly convened is empowered legally to resolve all points of the Agenda, irrespective of the number of Members present. Any resolutions passed by the General Assembly or any elections held shall require an absolute majority of the votes cast, as long as it is not otherwise provided for hereafter.
- ² A two-third majority of the votes cast shall be required for the dissolution of the Association or for a change of the Articles of Association.

Art. 18 ¹ In a physically held General Assembly voting and elections shall be done by show of hands, unless the assembly has decided otherwise or the chairman has prescribed otherwise.

² In the event of parity of votes, the chairman shall have the casting vote.

Art. 18^{bis} ¹ In a virtually held General Assembly, voting and elections shall be done by letter or electronically. On such occasions a discussion and a voting and electoral procedure are to be ensured. The discussion can also take place in advance of the virtually held General Assembly, for example by email.

² If voting or elections are to take place by letter, the invitation to the members must inform them of the return address as well as the deadline for returning their expression of will. The sender bears the risk for letters sent by post.

² If voting or elections are to take place electronically, members must be informed of the electronic delivery address and the form of and deadline for their expression of will (by normal email for instance).

⁴ No member shall be denied the right to vote and elect by the form chosen for the expression of will.

⁵ In the event of parity of votes, the chairman shall have the casting vote.

b) Board

Art. 19 ¹ The Board shall be composed of at least eight persons who, as a rule, shall be of top managerial rank within the Members. Representatives of the Observers are not eligible to the Board.

² Board members shall have a three-year term of office. If the election does not take place during an Ordinary General Assembly, the current financial year shall be considered the first of the three years of office.

³ Retiring Board members are eligible for a second consecutive term of office. A further prolongation of the mandate shall only ensue if special reasons, in the interest of the Association, exist.

⁴ Members shall be represented on the Board on an appropriate rota basis.

⁵ The composition of the Board shall adequately reflect the Members' countries of origin and the main Swiss financial centres.

⁶ At least three quarters of the Board members must represent a bank.

Art. 20 ¹ The Board shall be responsible for the activities of the Association and shall supervise its management. Any matters which may arise concerning the Association and for which no other provision has been made in the Articles, shall be decided by the Board.

² The Board's duties and functions include in particular:

1. the acceptance and expulsion of Members and Observers;
2. the holding of preliminary discussions and tabling of motions on all items of business dealt with at the General Assembly, in particular the drawing up of the Annual Report and the Statement of the Accounts;
3. the election of a Chairman and one or more Deputy Chairmen, a Treasurer and the Board committee;
4. the appointment of a Secretary General and the determination of his duties and remuneration;
5. the granting of legal powers of signature on behalf of the Association.

³ The Board is authorised to delegate part of its powers to the Board Committee.

Art. 21 ¹ The Board shall convene upon invitation of the Chairman or, in his absence, of a Deputy Chairman, or at the request of at least four Board members, as often as business requires. The Agenda shall be advised with the invitation.

² Resolutions shall be adopted by an absolute majority of those present. In the event of a parity of votes, the chairman shall have the casting vote. Art. 7, Par. 1 of the Articles of Association is held under reserve.

³ The chairman shall appoint a secretary in charge of the minutes.

⁴ The Chairman, or in his absence, a Deputy Chairman may arrange the passing of resolutions by way of circular letter to the Board members. A resolution, with

the absolute majority of the Board members, is considered as being passed provided no Board member demands verbal discussion. In urgent cases, the Board can counsel and resolve by telephone.

⁵ Resolutions passed by telephone or by circular letter are to be entered in the Minutes.

c) Board Committee

Art. 22 ¹ The Board Committee shall consist of at least four Board members.

² The Chairman, the Deputy Chairmen and the Treasurer shall hold the same positions of the Board Committee as they hold on the Board.

³ The term of office of the members of the Board Committee shall be three years.

Art. 23 ¹ The Board Committee shall assist the Chairman in preparing the business of the Board, as far as this proves necessary or expedient.

² In addition, the Board Committee shall exercise the powers delegated by the Board under Art. 20, Par. 3.

Art. 24 ¹ The Board Committee shall convene upon the invitation of the Chairman or, in his absence, of a Deputy Chairman. The Agenda shall be advised with the invitation.

² A majority of Board Committee members is required to be present if a resolution is to be adopted.

³ The provisions of Art. 21, Par. 2, 3, 4 and 5 apply to the Board Committee by analogy.

d) Secretary General

Art. 25 ¹ The Secretary General shall be responsible for the management of the Association in accordance with the Association's objective, the resolutions of

the General Assembly, the Board and of the Board Committee.

² He shall participate at the General Assemblies, Board meetings and meetings of the Board Committee, in an advisory capacity with the right to propose a motion.

³ In all other respects, the duties and powers of the Secretary General shall be laid down by the Board.

e) Auditors

Art. 26 The Auditors shall comprise two members and one substitute. They shall be elected by the General Assembly for a period of three years and shall be required to submit a written report to the Ordinary General Assembly. Retiring members and substitutes may be re-elected.

Accounts

Art. 27 The books shall be closed on 31 December of each year.

General Provisions

Art. 28 Official announcements of the Association shall be published in the Swiss Commercial Gazette. Notices to Members and Observers shall be sent by ordinary letter, circular letter or email, unless otherwise specified by law.

Art. 29 The Association shall be bound by the collective signature of two authorised signatories. The Chairman, the Deputy Chairmen, the Treasurer and the Secretary General are authorised to sign jointly by two or with any other person authorised by the Board.

Art. 29^{bis} Translations of these Articles of Association are available in French, English and Italian. The original text in German is the binding version.

Dissolution and Liquidation

- Art. 30 In accordance with the Articles of Association, the General Assembly may at any time order the dissolution and liquidation of the Association.
- Art. 31 After all debts have been paid, any remaining assets of the Association shall be distributed among the Members and Observers. The amount so due to each Member or Observer shall be calculated upon a pro rata basis relative to the total sum of their contributions during the three years preceding the order for dissolution.

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