

Rules governing the roles and responsibilities of the executive director of CFA Society VBA Netherlands

The board of the association called "CFA Society VBA Netherlands" (hereafter: the Society), which also serves as the board of the foundations called "Stichting VBA Opleidingsinstituut Morreau" (hereafter: Morreau Foundation) and "Stichting Register Risk Manager Financial Institutions" (hereafter: RRMFI Foundation),

whereas:

- Article 15 of the Articles of Association of the Society provides for the possibility of appointing an executive director;
- Article 5 of the Articles of Association of the Morreau Foundation and the RRMFI Foundation provides for the possibility of the board delegating responsibilities to third parties;
- The board has decided to appoint an executive director to support the board;
- These Rules governing the roles and responsibilities of the executive director set out the division of tasks, authorities, and responsibilities between the board and the executive director, both for the Society and for the foundations;

has adopted the following Rules governing the roles and responsibilities of the executive director:

1. General provisions

1. The executive director is responsible for the day-to-day operations of the Society and the foundations.
2. The executive director shall act in compliance with the decisions of and guidelines issued by the board.
3. The executive director is accountable to the board.
4. The board must supervise and monitor the executive duties of the executive director.
5. For the sake of readability, 'he' and 'his' have been used. Where 'he' is used, of course, 'she' can also be read and 'her' instead of 'his'.

2. Division of tasks between board and executive director

1. The tasks of the executive director include managing the staff of CFA Society VBA Netherlands, managing external staff, preparing and implementing policy plans, preparing, executing and monitoring of the financial affairs of the Society and foundations, monitoring of financial risks (for example on account of taxation), developing the educational programmes for the members, and contributing to the co-ordination of these programmes and developing and executing the Public Relations and Public Affairs activities. In performing

his tasks and exercising his authorities, the executive director shall observe the frameworks set by the Articles of Association, the employment agreement, the applicable policy plan, and the Rules governing the roles and responsibilities of the executive director.

2. The executive director is charged with executing the decisions of the board. The executive director himself is authorised to take decisions that are aligned with and serve to execute the annual plan that has been adopted.
3. The board in any case reserves the right to take decisions that serve to:
 - a) adopt the strategic objectives of the Society and the foundations (mission and vision);
 - b) adopt the Rules governing the roles and responsibilities of the executive director as well as any frameworks for the executive director, including, but not limited to, the framework for setting or changing the terms of employment for staff who are employed on the basis of an employment contract of indefinite duration.
 - c) appoint or dismiss staff who are employed on the basis of an employment contract of indefinite duration;
 - d) take out loans;
 - e) where it concerns the Society: enter into agreements to purchase, dispose of or encumber registered property, as well as enter into agreements by which the Society commits itself as surety or joint and several obligor, warrants performance by a third party or undertakes to provide security for the debt of a third party, all within the limits defined in the Articles of Association.
 - f) enter into or terminate a long-term alliance with another legal entity.
 - g) make changes to the accommodation;
 - h) set up or disband committees;
4. The executive director shall submit proposals for decisions as referred to in the previous paragraph to the board, accompanied by a written explanation that includes an overview of the consequences of the proposed decision.

3. Board support

1. The executive director prepares the board meetings. To this end, he shall confer with the board and ensure that any relevant documents are made available. He prepares policy documents that are to be approved by the board.
2. The executive director is present at board meetings in an advisory capacity, unless the board is discussing issues that concern the executive director personally.
3. The executive director prepares the draft annual report, the draft annual plan, and the draft annual accounts, including the budget, and presents these to the board. He prepares the General Meeting. To this end, he shall confer with the board and ensure that any relevant documents are made available.
4. The executive director prepares the financial and policy documents required for CFA Institute and submits them to the board for approval.

4. Representation and publicity

1. The executive director may at any time represent the Society during external consultations, unless the board decides otherwise in a particular situation. When a board member has been appointed as permanent representative for an external consultation, the executive director shall act as the permanent replacement in case of absence of that board member.

2. The board shall propose the executive director for membership of the curatorium for the VBA Investment Management programme offered by VU Amsterdam and appoint the executive director as member of the curatorium for continuing education, in compliance with the regulation contained in article 8 of the Articles of Association of the Morreau foundation.
3. The executive director shall act as external spokesperson for operational and current affairs. The chairman shall act as external spokesperson for strategic affairs. External communication about substantive themes and current affairs may be delegated to a specialist from within the Society, depending on the particular occasion.
4. The executive director is authorized to handle and sign any correspondence addressed to the board if such correspondence concerns the operational affairs of the Society and/or foundations or concerns affairs that are included in the annual plan or the strategic plan.

5. Human resources

1. The executive director is responsible for the organisation of the staffed office and for staff policy.
2. The executive director is responsible for recruiting, selecting, and training the Society's staff, including staff who do not work on the basis of an employment contract.
3. The executive director decides on the appointment, remuneration, and dismissal of staff, within the framework defined in article 2 paragraphs b and c.

6. Power of attorney/financial affairs

1. In order to enable the executive director to adequately perform his duties and exercise his authorities, the board shall give the executive director a power of attorney allowing him to represent the board in the following situations:
 - a) Entering into agreements and performing other juridical acts within the limits defined in the budget and as part of the normal course of business, up to an amount of EUR 17,500;
 - b) In case of a continuing performance agreement, the maximum applies to the amount of the annual commitment;
 - c) Making payments up to the maximum amount stated above and receiving payments and issuing receipts for such payments;
 - d) Making payments in excess of the maximum amount stated above after approval by the board;
 - e) Entering into employment contracts and other contracts with employees insofar as these were not entered into for an indefinite period, as well as terminating such contracts.
2. The power of attorney does not extend to strategic plans that are not included in the annual plan.
3. The power of attorney shall be granted for an indefinite period and may be revoked by the board at any time. The board shall review the power of attorney each year.

7. Suspension and annulment of decisions

1. Decisions taken by the executive director that contravene an applicable regulation and/or may potentially undermine the interests of the Society or the foundations, may be fully or

partially annulled by the board by means of a substantiated decision. Before the board decides to fully or partially annul the decision, the matter shall be discussed with the executive director.

2. The board may for a period of six weeks fully or partially suspend a decision by the executive director that it believes to qualify for annulment. Before the board decides to fully or partially suspend the decision, the matter shall be discussed with the executive director.

8. Supervision, control and accountability

1. At least once a year the chairman of the board shall hold a performance interview and an appraisal interview with the executive director. During these interviews at least the following subjects shall be discussed: the relationship with the board, the manner in which the executive director performs his duties, and the progress made with the execution of the adopted strategic and annual plans.
2. The executive director shall provide insight into the execution of the strategic and annual plans and board decisions by providing written reports once every two months, in which he renders account to the board about the progress towards the milestones that have been set by the board. The executive director shall inform the board in a timely manner in case of delays or problems with the progress towards the defined milestones. The executive director shall also promptly inform the board about any other relevant issues.
3. Each month, the executive director shall account to the treasurer for any payments that have been made, by providing details about the expenditure and how and where these fit into the annual plan. The executive director shall provide separate information about individual payments when these exceed the monthly average of the budgeted expenditure for the normal activities. The executive director shall provide details about all individual payments that are made as part of the annual plan.

9. Ancillary positions

The executive director may only take on an ancillary position after prior approval by the board. The executive director must report any ancillary positions to the board. The board shall only refuse its permission in case of compelling concerns on the part of CFA Society VBA Netherlands, for instance in case of a potential conflict of interest, or on account of excessive time required.

10. Final provisions

1. In all instances that are not covered by the Rules governing the roles and responsibilities of the executive director, the board shall decide.
2. These Rules governing the roles and responsibilities of the executive director were adopted by the board on 12 February 2018.