

**INTERNATIONAL COMMODITIES & DERIVATIVES
ASSOCIATION (FORMERLY THE SWISS FUTURES AND
OPTIONS ASSOCIATION)**

BYE-LAWS

[New version of 09 November 2015 replacing the version dated 3
September 2008]

I. NAME, REGISTERED OFFICE AND PURPOSE

Article 1

- 1.1** An association, formerly known as the "Swiss Futures & Options Association" and renamed 09 November 2015 as the "International Commodities and Derivatives Association" (hereinafter "the Association"), has been established for an unlimited period of time, in accordance with Articles 60 to 79 of the Swiss Civil Code. Insofar as they are not modified by the present By-laws, the provisions of the Swiss Civil Code shall apply to the Association.
- 1.2** The registered office of the Association shall be in Geneva; the Association shall be registered with the Commercial Register. Its registered office may be transferred to any other place in Switzerland, in which case these Bye-laws shall be amended to reflect the change.
- 1.3** The purpose of the Association is to promote the Swiss financial center and to promulgate principles of deontology intended to ensure the application of strict ethical rules to the financial sector (in particular, codes of conduct), excluding all and any commercial activity.
- 1.4** The Association shall seek to achieve its aims:
 - a) by promoting personal contact among its members, at roundtables, seminars, forums and at its General Meetings, during which all matters directly or indirectly related to the purpose of the Association may be discussed;
 - b) by participating, whenever the Association deems it appropriate to do so, in the preparation of any legislation governing the financial sector and intergovernmental treaties concerning the sector, by expressing its views on such draft financial legislation and by drafting memoranda and petitions addressed to the legislative and administrative bodies of the Swiss Confederation and the cantons, or in any other way it deems appropriate;
 - c) by supporting efforts to unify financial usage in the Swiss financial markets – official exchanges or over-the-counter markets – relating to futures and options, specifically those based on commodities and derivative instruments of all kinds.
 - d) by establishing contacts and furthering cooperation with bodies active in fields related to those of the Association, in Switzerland and abroad.
 - e) by admitting members from Switzerland and from other countries, regardless of their country of origin, registered office or domicile and facilitating professional exchanges between them.

- f) by editing publications, newspapers, magazines and other periodicals in the fields of activity of the Association.
- g) by any other means suitable to fulfill the Association's purpose, but excluding any and all commercial activity.

II. MEMBERSHIP, ADMISSION, EXCLUSION, RESIGNATION, CONTRIBUTIONS

Article 2

2.1 The Association offers the following types of membership:

TYPE "A " MEMBERS

This category includes:

- any exchange or clearing organization in Switzerland or abroad that is subject to state regulation, as well as Swiss or foreign professional associations whose purposes or activities are, either directly or indirectly, close to those of the Association.
- commission houses, clearing brokers, banks and financial institutions with clearing membership and, more generally, any company which is or represents a commission house and holds a membership at a recognized futures and options exchange,
- brokers, i.e. persons or bodies with no direct access to an exchange for their trading and/or their clearing operations, but whose activity is to trade on behalf of their clients, and whose ethics and/or reputation are comparable to those of a commission house linked to an exchange,
- Banks and financial institutions,
- Insurance companies,
- Pension funds,
- any company or institution which, on its own account, conducts forward or spot transactions on an official or secondary market (including commodity markets and all types of derivatives markets) in order to hedge their business risks.

TYPE "B" MEMBERS

This category includes:

- Non-bank/financial companies who are primarily involved in physical commodity trading who only use instruments for

hedging purposes. More generally companies which do not operate primarily in a finance or exchange capacity but which carry out activities that are directly or indirectly linked to the commodities and derivatives markets, i.e. service companies, companies whose business is futures and options exchange information publishing, advisory services including law firms and accounting firms as well as commodity market support service companies, trust accountants, and IT service companies.

TYPE "C" MEMBERS

This category includes:

- individual members, i.e. private individuals who wish to be members in their own right without reference to any corporate employment but who carry out activities that are directly or indirectly linked to the commodities or derivatives markets as for example, private consultants, journalists, academic researchers, sole account traders, accountants, lawyers. These persons are only eligible for membership providing they have not be in full-time employment with any company which has cancelled a Type 'A' or Type 'B' membership at any time during the preceding 12 months or which cancels its membership within 3 months following the admission of the individual member.

2.2 If a company has several branches or establishments, only one of its branches or establishments may represent the company and the group to which it belongs within the Association.

2.3 Type 'A' and Type 'B' members of the Association may delegate one or several persons to represent the member within the Association. However, only one of these delegates may exercise the member's voting rights at General Meetings. Type 'C' members are not allowed to delegate voting rights to third parties.

2.4 The admission of new members is decided upon by a person designated by the Board of Directors, or failing such designation by the most senior executive manager of the Association. Membership applications must be submitted in writing to the Association.

The Association may reject an applicant without any obligation to justify its decision in any way.

2.5 Any member may resign by sending an ordinary letter to the Board of Directors, at least 90 days before the resignation is to take effect.

2.6 Membership shall automatically end when a member ceases his activities or when conditions laid down by the present bye-laws are no longer fulfilled.

2.7 The Board of Directors shall be entitled to exclude a member at any time by simple decision and shall not be under any obligation to justify its decision. However, the decision shall require a two-thirds majority of all the members of the Board of Directors.

In particular, the Board of Directors may decide to exclude a member if it deems that the latter has failed to respect the spirit and purposes of the Association or if the member concerned has repeatedly breached its membership obligations or if, through its activity, the member has infringed the interests of other members of the Association or if, after having received official notice, the member fails to pay its membership fees.

2.8 When a company loses membership status, its delegates automatically lose the right to hold any position within the governing bodies of the Association.

Article 3

3.1 Members shall pay the annual membership fee set by the General Meeting.

3.2 New members shall pay the full annual membership fee for the year of their admission, irrespective of the date on which they entered the Association.

3.3 In order to cover exceptional expenditures, which the Association may incur while fulfilling its statutory duties, the General Meeting may decide to levy additional or extraordinary contributions from members.

3.4 Resigning members shall pay the annual contribution prorata temporis up to the date on which the resignation takes effect.

3.5 Members shall not in any way be personally liable for the financial commitments of the Association over and above the amount of their annual membership fee or, if applicable, of the aforementioned additional or extraordinary contribution. The Association's commitments shall be guaranteed exclusively by its own assets.

3.6 Outgoing members shall have no rights in relation to the assets of the Association.

III. ORGANIZATION

Article 4

The Association shall have the following governing bodies:

- A.** The General Meeting of members,
- B.** The Board of Directors (referred to as the "direction" by the Swiss Civil Code),
- C.** The Auditors

A. The General Meeting

Article 5

- 5.1** The General Meeting shall comprise the delegates representing the Association's members.
- 5.2** Every voting member shall hold a single voting right at the General Meeting.
- 5.3** A member may be represented by another member, it being specified that a member of the Association may represent only one other member.

Article 6

- 6.1** The Ordinary General Meeting shall be held every year within six months of the end of the financial year. It shall be called by the Board of Directors.
- 6.2** The Board of Directors may call Extraordinary General Meetings, if and when it deems it appropriate or necessary to do so, as may also the Association's Auditors.
- 6.3** The Board of Directors shall be required to call an Extraordinary General Meeting if the Ordinary General Meeting so decides, or if at least one fifth of the members requests this in writing, indicating the reasons.
- 6.4** Invitations to attend General Meetings shall be made in writing and sent to the members at least twenty (20) calendar days before the date set for the Meeting, indicating the agenda.
- 6.5** The Board of Directors shall select the venue for the General Meeting.

- 6.6 Members who wish to put specific items on the agenda of the General Meeting must notify the Board of Directors in writing at least ten days before the date of the meeting.
- 6.7 Any General Meeting which has been called in accordance with these rules shall be authorized to deal with the items on the agenda, irrespective of the number of members present.

Article 7

The General Meeting shall have the following powers:

- 7.1 Discussion and approval of the Annual Report of the Board of Directors, the Annual Accounts submitted by the Auditors; discharge of the Board of Directors for its activities.
- 7.2 Election of the Board of Directors and the Auditors.
- 7.3 Determination of the ordinary annual membership fee and, as appropriate, of the additional or extraordinary contribution as per article 3.3 of the present By-laws.
- 7.4 Amendments to the Association's By-laws and/or winding-up of the Association.
- 7.5 Enactment and, as appropriate, amendments to the Code of Conduct.

Article 8

- 8.1 The General Meeting shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman (or one of the Vice-Chairmen) or another member of the Board of Directors.
- 8.2 The Chairman shall appoint the Secretary to the Meeting.

Article 9

- 9.1 Unless otherwise provided by the By-laws, the General Meeting shall take decisions and votes on the basis of the majority of the votes expressed.
- 9.2 A majority of two thirds of the votes expressed shall be required to wind up the Association and to amend these By-laws.
- 9.3 Ballots and elections shall be by show of hands, unless the General Meeting or the Chairman requests a secret ballot.
- 9.4 In the event of a tied vote, the Chairman shall have a casting vote.

B. The Board of Directors

Article 10

- 10.1** The Board of Directors shall consist of at least 5 Board Members.
- 10.2** Each member of the Association may have only one elected representative on the Association's Board of Directors.
- 10.3** If the interests of the Association so require, the General Meeting may elect other additional Board Members, such as representatives of the financial or the public sector. These additional Board Members shall have the same voting rights as all other Board Members.
- 10.4** Each Board Member shall be elected for an unspecified term of office, subject to annual confirmation by the General Meeting.
- 10.5** Whenever a seat becomes vacant, the Board of Directors shall be authorized to fill it until the next General Meeting by co-opting a new Board Member.
- 10.6** If the election of a Board Member does not take place during an Ordinary General Meeting, the current year shall be deemed to be the first year of the term of office.
- 10.7** Within the limits of the present By-laws, the Board of Directors shall make its own organizational arrangements, provided however, that it appoints from among its Board Members its Chairman and one or more Vice-Chairmen.

Article 11

- 11.1** The Board of Directors shall represent the Association to third parties.
- 11.2** It shall decide on all matters concerning the Association not otherwise provided for under these By-laws. It shall be authorized to take all decisions and to undertake any action which it deems necessary or appropriate in order to achieve the purposes of the Association. The Board of Directors shall call the General Meeting and set the agenda.
- 11.3** Important memoranda, expert opinions, reports and petitions submitted in the name of the Association to legislative bodies and administrative authorities must be approved by the Board of Directors.
- 11.4** The obligations and powers of the Board of Directors shall be exercised more particularly in the following fields:
- (i) Admission and exclusion of members;

- (ii) Designation of individuals with authority to commit the Association with their signature;
- (iii) Preparation and placing on the agenda of all matters to be dealt with at the General Meeting, in particular the preparation of the annual accounts and drafting of the annual report;
- (iv) Election of a chairman, of one or more vice-chairmen and of a treasurer;
- (v) Decisions concerning the need to take legal action and to reach out-of-court settlements;
- (vi) Determination of the compensation for its Board Members, the members of special commissions and the Auditors.

11.5 The Board of Directors shall report on its activity once a year at the Ordinary General Meeting.

Article 12

12.1 The Board of Directors shall be convened by its Chairman or, if he is unavailable, by one of its Vice-Chairmen, or at the request of at least four of its Board Members, as often as is required by the Association's business.

12.2 The Agenda must be sent at the same time as the invitation.

12.3 The Board of Directors may validly debate on issues only if at least half of its Board Members are present at the meeting.

Decisions shall be taken by simple majority of the Board Members present. In the event of a tied vote, the Chairman shall have a casting vote, save for the provisions of Article 2.9 of these By-laws on the exclusion of members.

12.4 The Chairman shall appoint the Secretary to the Meeting who shall draft the minutes.

12.5 Decisions may also be validly taken by circular letter to the Board Members if the Chairman or, if he is unavailable, one of the Vice-Chairmen so decides.

12.6 Decisions taken by circular correspondence shall be adopted by absolute majority of all Board Members if there is no request from a Board Member for an oral consultation.

12.7 If the matter is urgent, the Board of Directors may debate and take decisions by conference call.

12.8 Decisions taken by correspondence or by conference call shall be incorporated into the minutes of the Meeting.

C. The Auditors

Article 13

- 13.1** The General Meeting, acting on a proposal from the Board of Directors, shall elect the external auditors.
- 13.2** They are elected by the General Meeting for a period of three years.
- 13.3** The Auditors shall present their written report to the Ordinary General Meeting.

IV. ACCOUNTS

Article 14

The Association's annual accounts shall be closed on December 31 each year.

V. REVENUES

Article 15

The Association revenues comprise annual membership fees paid by its members, in addition to any financial resource allowed by Swiss Law in order to allow the Association to perform its functions and obligations as contained within the By-Laws.

None of the Association member will be allowed to receive any kind of revenue under any kind from the Association.

VI. GENERAL PROVISIONS

Article 16

The Association shall make its official announcements by publication in the "Feuille Officielle Suisse du Commerce" (FOSC). Communications to members shall be through ordinary or circular letter, unless otherwise required by law.

Article 17

The Association shall be committed by the joint signature of two authorized individuals. The Chairman and Vice-Chairmen of the Board of Directors, and the Treasurer, may sign between themselves or with another person designated by the Board of Directors.

VII. WINDING-UP AND LIQUIDATION**Article 18**

18.1 The General Meeting may decide at any time to wind up and liquidate the Association. (see also Art.6. & 7)

18.2 The assets of the Association shall not under any circumstances be redistributed among the members, or used for their benefit, wholly or partly, in any manner whatsoever. In the event of the winding-up and liquidation of the Association, they shall be transferred to an institution with similar aims to those of the Association.