Association Luxembourgeoise des Compliance Officers du Secteur Financier

Newsletter

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Editorial

Dear friends, members of the ALCO,

It is our privilege to have the views of Mr. Claude Simon, General Supervision Manager of the *CCSSF* (Financial Supervision Commission), with respect to a series of questions we posed regarding: « The Crisis and Compliance ».

Because Mr. Simon's analyses are of great interest to us, we decided to publish an additional special issue of the ALCO Bulletin to start off the New Year.

A sequel to Stefano Pierantozzi's article in Bulletin n°14 of June 2008 also appears in this special issue. In this second article, Stefano undertakes to clarify the rules that govern « short-selling » transactions in Mutual Funds. But, as he indicates: clarifying is not recommended!

The Bulletin

With the passing of 2008, a time of extraordinary difficulties, I send all of the Compliance Officers my best wishes for the New Year.

With my highest regards,

Jean-Marie Legendre
President

Interview

Interview with Claude Simon (*CSSF*) regarding the financial crisis and compliance

- What is your analysis of the financial crisis?

What I have learned over the last few months is that, despite the unique concerted actions taken by central banks, governments and supervisory authorities, uncertainties remain, to say the least. Because of its magnitude, its duration, its destabilising effect that renders the market extremely volatile, and its multiplier effects on the real economy, this crisis has exposed the dysfunctions attendant to an interweaving of the real and financial economies. I think we will see a return to the fundamentals with a less complex structuring of products along with a more thorough understanding of all of the risks that exist in the banking business. The tendency to favour short term returns (including the discounting of future profits, which, by definition, are not realised and are likely to vary over time during the tying up of funds), and the growth of highly-leveraged balance sheets are phenomena that must be followed closely, even contained in the future. And, as a major concern, let us also give particular attention to the aggressiveness, even greed, with which some professionals in finance as well as private investors have invested in highly complex products that certainly offered appealing returns, but also contained risks that were underestimated or, more seriously, purely and simply ignored.

- Can we now make an initial assessment of the Luxembourg financial market?

It is certainly premature to assess the Luxembourg financial market since the crisis and its effects have not yet been curbed and the future remains uncertain. However, I would like to make a few comments regarding four areas that are among the most significant: the stability of equity capital, the situation with respect to liquidities, the Luxembourg practice of constituting anticyclical provisions and the treatment of suspended payments as defined by the Act of 5 April 1993 as amended regarding the financial sector.

Overall, the present regulations regarding capital requirements, recently strengthened by the text of Basel II, which have been applied only since 1 January 2008, appear to be adequate for banking transactions effectuated on the Luxembourg financial market. However, we must keep in mind that they consist of uniform standards intended for banks that are adequately diversified. For a limited number of Luxembourg banks, the concentration of activities on capital markets has shown that pillar 1 of the text of Basel II is insufficient. The changes that the Basel Committee will make in Pillar I as well as those introduced by the Capital Requirements Directive at a European level will strengthen the regulations for structured products and secured assets. Also, pillar 2 of the new text – the « prudential supervision process» – that will be implemented in Luxembourg in 2009, should also enable correction of these deficiencies, as it will require banks and authorities to intensify the use of stress testing, and improve management of concentration risk.

Overall, there remains a surplus of liquidities in the banking market. Hence, customer

deposits that are specially related to activities of asset management are sufficient to finance the debts to central administrations, enterprises and individuals. The surplus is generally transferred to the group (interbank debts), and the latter redistributes it to entities that need financing. The priority given to internal refinancing is supposed to reduce the group's refinancing costs.

The consequences for Luxembourg entities are concentration of risks on the group, financial loss when the liquidity premiums are not appropriately reflected in the transfer prices, and a situation of dependency when the Luxembourg liquidities are tied up for a fixed term. This situation may become extreme when, because of a forced integration in the group, the Luxembourg bank abandons its capacities to intervene directly in the markets (abandonment of the market room).

The Basel Committee and the Committee of European Banking Supervisors (CEBS) have recently defined new standards with respect to liquidity risk management. In principle, these standards should also be implemented in Luxembourg during the first quarter of 2009. And beyond these standards, which are essentially of a qualitative nature, the two committees are analyzing more quantitative aspects regarding, among other issues, evaluation of the adequacy of « liquidity buffers » that banks are supposed to hold, of the structuring by due dates, of the diversity of refinancing sources and of the practices of stress tests with respect to liquidity. The results of this work will also be implemented in Luxembourg, and will enable re-evaluation of the adequacy of the liquidity coefficient that is presently in effect in Luxembourg.

My third point concerns provisions. In that regard, the *CSSF* has recently issued circular 08/386 regarding the *AGDL* (Deposit Guarantee Association, Luxembourg) provision and the fixed provision used in banks' financial statements that were published on 31 December 2008. In that circular, the *CSSF* states the raison d'être and the eminently prudential character of these anticyclical provisions that are traditionally established in Luxembourg. To the extent that these provisions are constituted for preventive purposes in favourable economic periods, with the intent to use them in more unfavourable periods in order to deal with losses or even claims, the *CSSF* requires banks to use them as of 31 December 2008 in order to cover, first, their contributions to the deposit guarantee system that was triggered because the deposits of Island banks' Luxembourg subsidiaries became unavailable and, second, losses or depreciations resulting from the present financial market crisis. Prior constitution of these provisions in favourable economic times enables banks to significantly reduce the effects of this crisis, and also helps stabilize the State's budgetary receipts.

However, it is deplorable to see that only banks that publish their financial statements under the GAAP Lux accounting rules and those using the GAAP Lux regime with IFRS options can reverse these provisions through the profit and loss statement. Indeed, banks that publish their financial statements under IFRS – and they currently are only a small minority – no longer can use these prior provisions under the GAAP Lux accounting rules because the IFRS rules require that they be transferred into the undistributed profits. I consider that the present IFRS rules are not appropriate for banks since they do not sufficiently take into account the applicable rules of prudence. I hope that the international efforts that are underway to further align the accounting

standards with the rules of prudence, and to permit preventive constitution of anticyclical provisions, will be crowned with success.

My final point relates to the suspension of payments regime as introduced by the Act of 5 April 1993 as amended regarding the financial sector. With the current crisis, Luxembourg subsidiaries of Iceland banks were placed under the suspension of payments regime in October of 2008. The Act does not provide any precision regarding the extent of the administrators' assignments, mandates or tasks that they can or must carry out; therefore, the administrators have had to ask the commercial court for specifics in that respect. I think it will be useful to review the suspension of payments regime defined in the aforesaid Act in light of the recent decisions of the competent court. However, there remains a question that has not yet been resolved, but which is nevertheless of major importance in the context of a suspension of payments procedure: Does the system enable the establishment and execution of a recovery plan without the absolute necessity of compliance with the principle of equal treatment of all of the creditors?

– In your opinion, what are the principal lessons we can draw with respect to compliance?

Reputation and trust are essential for a bank to function correctly; that is the fundamental lesson we learned from recent turbulences. One of the central roles of compliance is to distil in financial firms this particular « corporate culture », which requires treatment of customers in an honest and equitable way, understanding of the risks of business models, and preservation of sustainable development without jeopardizing the overall equilibriums through decisions excessively influenced by a dominant short-term vision.

– In light of the crisis, can we say that 'Compliance' has successfully fulfilled its role?

I do not today have in hand any material indication that enables me to say the contrary. However, I think it is definitely useful to pose this question, and important that financial firms as well as your association make their own self-evaluation in that regard.

- Still, with respect to the crisis, what are the matters of compliance that are most sensitive in confronting it:
  - Investor protection?
  - Market abuse?
  - Technical product analysis?
  - Banking ethics?
  - …

In that context, I would like to make three short comments.
As specified particularly by the MIFID (Markets in Financial Instruments Directive), the sale of financial products must be conducted, especially in the present circumstances, pursuant to the principles of professionalism and integrity and in concordance with the customers' knowledge, needs and financial capacity. Through extensive media coverage, customers have followed trends in the financial markets; but they should look more carefully not only at the performance of a product but also at the risks involved. Compliance plays an eminent role in terms of providing customers with important information.

The functioning of financial products has become very complex and, in a more difficult financial environment, recourse to «safeguard» clauses or exercise of

guarantees, may, with the conjugation of several phenomena, turn out to be ineffective. Here again, sharp knowledge of legal elements that may prevent the execution of transactions is of primary importance. In addition to technical analysis, legal security in the conclusion of transactions becomes a major stake. The compliance function is particularly important when the risk with respect to compliance is to be identified prior to the launching of a new product, activity or business relationship.

Finally, the community of prudential authorities rightly raises the issue of the form and structure of remuneration of banks' managers and executives. I am among those who think that a number of criteria must be taken into consideration for the determination of any bonus. In general, incentives or bonuses should reflect profitability over a longer term and not in the short term, as has often been the case in the recent past. Other elements such as the taking of risks, accomplishment of objectives, customer satisfaction and harmonious development of a bank's goodwill should be included in such an evaluation. Since the remuneration policy is closely linked to the reputation of a bank, as demonstrated by the present crisis, the compliance function should see that the aforesaid criteria are followed in practice.

- Do you share the idea that it is necessary to introduce new rules
  - for replacement of the existing rules that have proved to be too limited?
  - for regulation of areas that are not yet (sufficiently) regulated?
  - for regulations to be issued by local or supranational prudential authorities?
  - for a renewal that must originate first from the United States, Europe, …. ?
  - would such new regulation benefit from being more detailed or, if not, from remaining within a frame work that leaves ample room for modes of implementation to be decided internally by each bank, group or subsector?

What has emerged from this crisis is the necessity of strengthening our regulations, prudential control and risk management. Also, it will be necessary to correct the weaknesses existing in accounting standards and transparency in off-balance sheet instruments, and to take measures regarding the operation and supervision of rating agencies, but without these measures having the effect of stifling innovation. Also, the « timing » with respect to introduction of these measures is critical, since aggravation of the situation in the financial markets -- which first must be stabilised -- is to be avoided.

Do the supervisory authorities have sufficient means to detect establishments that appear to be in a more vulnerable situation, and to force banks to make changes by getting rid of toxic assets in a timely fashion or by maintaining an adequate cushion of liquidity? In general, I would say that the answer is yes, they have such means, with the caveat that the methods remain to be perfected. Exchanges between supervisory authorities regarding operational issues are to be intensified. The colleges of supervisors will play a major role in the supervision of large international financial firms. More systematic meetings with managers of financial firms are also to be planned in this system in order to include at

their fair value -- beyond the strict application of models, however sophisticated and effective they may be -- the factors of « human critical judgment» and common sense.

In its pure form, departing from principles based regulation is not desirable since this model takes more into account the nature and complexity of activities, and leaves banks responsible for adapting to and complying with it while maintaining dialogue with the authorities in order to verify that these objectives are indeed attained. By nature, such a dialogue is healthy and, as I said earlier, I encourage its intensification.

More specifically with respect to compliance, a survey conducted by the Basel Committee published in August of 2008 regarding implementation of the compliance principles that were adopted in 2005 (Ref.: Compliance and the compliance function in banks ; www.bis.org/publ/cbs113.htm) indicates that, in the jurisdictions under review, the principles have been correctly followed in their entirety. Hence, the report does not recommend changes or amendment of the original text. Having participated in this exercise, Luxembourg fully shares this point of view.

- Must banks head in the direction of putting into question their basic profession, their activities, …? Is that also the case for "Luxembourg" banks, in other words are they subject to the supervision of the *CSSF*?

The basic business of banks – i.e. collection of deposits, mismatch of maturities and asset management is not to be put into question. Overall, the pillars of the Luxembourg financial center remain sound. However, the acceptance of certain « business cases », developments or risks should perhaps be reviewed in light of recent experience.

At this point, I will briefly mention a scandal that comes from across the Atlantic, known as the « Madoff affair». At present, considering the opacity of available information and the complexity of the transactions involved, it appears that determination of the precise involvements and the responsibilities of the various participants will demand a great deal of effort. Investigations by the authorities are underway and will require some time before much light can be shed on these fraudulent practices, which apparently involved amounts so enormous as to stagger the imagination.

In any event, when the assets of a fund are deposited by the depositary bank with a third party, the Luxembourg legislation requires that these deposits be made under the depositary bank's responsibility for monitoring and supervision, which implies that the depositary must at all times know the way in which, and where, the assets of the investment fund are invested and the terms of their availability. This requirement is not affected by the fact that all or part of the assets are entrusted to a third party as a fiduciary caretaker.

- Among the measures that, as of now, may be taken internally by each bank, which ones will you recommend to the Compliance Officers in Luxembourg as having the highest priority (in terms of urgency or substance)?

There is no specific urgent measure to be taken. However, the compliance officer must show care and diligence, and continue to bring his weight to bear in a positive way on the decisions that will have to be made.

The same attitude and effort are essential in order to be alert with respect to the adequacy of envisaged transactions, to exercise vigilance in the development of new activities or products, to favour good internal communication and to make staff increasingly aware of the importance of compliance by means of continuous training.

- What will be your advice for strengthening the banks' responsibility in matters of compliance? Does the compliance function have to be strengthened? Must the C.O.'s role change? Shall the C.O. be considered more as someone who must draw the company's attention to its own responsibilities, while leaving to it the final responsibility for decisions? Or shall he have a direct role in the decision-making? In what ways?

By way of further clarification of the role, I would add that a compliance officer is a person who, while maintaining a certain distance, must draw attention to the fact that the conclusion of certain transactions may be subject to uncertainty, particularly legal, which must be taken into consideration in a decision-making process. The role of a compliance officer is not to participate in the final decision, as that falls under the management's responsibility, but to draw its attention to any possible risks of compliance as defined by circular CSSF 04/155, resulting from existing or new activities.

- Will the crisis have impacts on the role and missions of prudential authorities? What are the impacts we can expect on the way the prudential authorities see their role in matters of control?

As I said earlier, without question the prudential authorities will increasingly cooperate, under the impulse of political decisions made at the level of the G20 or the ECOFIN. The colleges of supervisors, which will deal with operational issues, in the long term will become an indispensable pillar for supervision of establishments operating on a cross-border basis.

Claude Simon

General Supervision Manager of the CSSF

Doctrine

Physical short selling under UCITS: the end of the story?

During the last few months there has been a widespread debate within the UCITS industry about the suitability of physical short sales of securities within the UCITS framework. This matter was already extensively reviewed in a previous article published on the ALCO newsletter[1], which I invite you to read for additional information.

The debate gained momentum in October 2007, when the Irish Financial Regulator published policy changes that allowed these practices[2].

However, in October 2008, CESR has made public on its website the contents of a letter it has received from the European Commission (EC)[3], which effectively closes the matter by stating that "physical short selling of borrowed securities is inconsistent with important provisions of the UCITS Directive[4]". Following the receipt of this letter, CESR has also published updated Level 3 guidelines on eligible assets for UCITS[5].

In this article I will review the Irish Financial Regulator's approach, the EC's position, the amendments introduced by CESR and finally make some considerations as to how physical short selling could have been considered as compliant with the UCITS framework.

Physical short selling in Ireland

In a nutshell, the Financial Regulator's approach was based upon three key considerations:

1. Article 42 of the UCITS Directive prohibits uncovered sales. Therefore short selling is possible, if the short position is covered through a securities borrowing arrangement.

2. CESR's Level 3 guidelines (in their original wording) stated that "if UCITS are authorised to use repurchase agreements or securities lending or securities borrowing to generate leverage through the re-investment of collateral, these operations must be taken into account to calculate the global exposure of UCITS". Therefore leverage can be generated by selling securities borrowed.

3. Synthetic short selling is a common practice since the publication of the EC Recommendation 2004/383/EC[6] that

[1] "Physical short selling under UCITS: is it time to reconsider, and which may be the challenges for the compliance function?", ALCO Newsletter No14, June 2008.
[2] "Collective Investment Schemes – Policy Changes and Related Matters – UCITS – Covered Short Sales", October 2007.
[3] "Physical short-selling in the context of the UCITS Directive – March 2007 CESR guidelines on eligible assets", MARKT/G4/dm/D(2008)4056
[4] Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS).
[5] "CESR's guidelines concerning eligible assets for investment by UCITS, March 2007 (updated September 2008)", CESR/07-044b
[6] Commission Recommendation 2004/383/EC of 27 April 2004 "on the use of financial derivative

allows, for UCITS entering into financial derivative transactions that are cash settled, to hold as cover assets other than the relevant financial derivative instrument's underlyings.

The Financial Regulator's policy changes document contained additional guidance in terms of risk management process, however the key message was that physical short selling was considered an eligible technique under UCITS.

The EC's position

The EC considers that there is little or no guidance in the text of the UCITS Directive governing exposures generated though physical short selling. Additionally, its view is that this technique is inconsistent with parts of the UCITS Directive, namely:

1. The mere existence of a stock borrowing agreement to accompany the short sale does not mean that the transaction can be equated with a "covered sale" and thereby escape the prohibition of article 42 of the UCITS Directive on uncovered sales. In particular, the mere fact of borrowing a security to cover potential obligation to settle the short sale does not mitigate the exposure of the UCITS to potentially unlimited market risk.

2. The existence of a stock borrowing agreement contravenes the prohibition on borrowing set forth by article 36 of the UCITS Directive. The prohibition on borrowing laid down in this article (excepted on a limited and temporary basis) is not confined to borrowing money but also extends to securities.

3. No harmonised provisions exist in the UCITS Directive governing risk management controls for physical short selling, which gives rise to market risk, operational risk, counterparty risk and additional settlement risk if compared with similar exposures generated through derivatives.

   European legislation does not provide for clear or explicit rules governing the extent to which UCITS can assume risk through physical short selling, or on the requirements for managing the related risks, unlike leverage generated through derivatives where guidance is widely available. If physical short selling were to be allowed, it would take place, to quote the EC's letter, "in an EU legal vacuum".

Therefore, the wording of the relevant sections of CESR's Level 3 guidelines (as of March 2007) risks giving rise to interpretations which would be incompatible with the EC's understanding of the Level 1 UCITS Directive.

CESR's Level 3 reviewed guidance

On the basis of the EC's technical interpretation, CESR has therefore published in October 2008 revised Level 3 guidelines. The changes relate only to Article 11 of the Eligible Assets Directive[7], as shown in the following table:[8]

instruments for undertakings collective investment in transferable securities (UCITS)"

[7] Commission Directive 2007/16/EC of 19 March 2007

[8] Note: CESR's official documents do not include track changes, which I have added for ease of reference.

CESR/07/044 (old guidelines)	**CESR/07/044b (updated guidelines)**
Techniques and instruments relating to transferable securities and money market instruments include, but are not limited to, collateral under the provisions of Directive 2002/47/EC on financial collateral arrangements, repurchase agreements, guarantees received, and securities lending The requirement to comply with the provisions of Article 21 of Directive 85/611/EEC imply in particular that if UCITS are authorized to use repurchase agreements or securities lending, these operations must be taken into account to calculate the global exposure of the UCITS.	*Techniques and instruments relating to transferable securities and money market instruments include, but are not limited to, collateral under the provisions of Directive 2002/47/EC on financial collateral arrangements, repurchase agreements, guarantees received, and securities lending. The requirement to comply with the provisions of Article 21 of Directive 85/611/EEC imply in particular that if UCITS are authorized to use repurchase agreements or securities lending, these operations must be taken into account to calculate the global exposure of the UCITS.*

The question could now be raised, if the deletion of references to the generation of leverage through re-investment of collateral in Level 3 guidance should be read also as a prohibition for UCITS to reinvest cash or rehypothecate assets received as collateral, for example in the case of securities lending transactions.

The reference to the generation of leverage through the re-investment of collateral has been removed in reaction to the updated guidance provided by the Irish Financial Regulator in October 2007. My interpretation, which I could informally confirm with EC officers, is that amendments to CESR's Level 3 guidelines should be read only and exclusively in relation to physical short selling techniques.

Supporting physical short selling

It may be difficult at this point to argue that there is any space for resurrecting physical short selling techniques under UCITS. However my personal view is that the issue may be re-looked into in the future, for the following reasons.

1. Prohibition to carry uncovered sales: the key issue is defining what may or not qualify as "cover" for a short sell. The EC has already made clear, with Recommendation 2004/383/EC, that "uncovered sales are all transactions in which the UCITS is exposed to the risk of having to buy securities at a higher price than the price at which the securities are delivered and thus making a loss and the risk of not being able to deliver the underlying financial instrument for settlement at the time of the maturity of the transaction". The EC further considers that "these risks are always relevant for those operations in which the UCITS is forced to buy securities in the market to meet its obligations".

   However, Recommendation 2004/383/EC also states[9], with reference to financial derivative instruments, that "where the risk of the underlying financial instrument of a derivative can be appropriately represented by another underlying financial instrument, and the underlying financial instrument is highly liquid, Member States should consider allowing UCITS to hold exceptionally other liquid

[9] Article 7.2: Exceptional substitution with an alternative underlying cover in the absence of a cash settlement.

assets as cover provided that they can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured".

In light of the above, it is difficult to understand the reason for discriminating between an obligation to deliver a borrowed security and an obligation to deliver the underlying of a financial derivative instrument, also because in the case of securities borrowing the borrower would be entitled to sell the collateral received in case of non-delivery of the securities lent – which is very similar to the case of a cash-settled financial derivative transactions, for which the EC provides for more relaxed rules in terms of cover.

2. Prohibition to borrow: The EC acknowledges that the 10% borrowing facility as defined under article 36 of the UCITS Directive relates to cash as well as securities. Therefore there is no doubt that securities may be borrowed, as long as borrowing is on a temporary basis. Should the notion of "temporarily" be intended, by way of example, as a 90-day limit, this is more than an adequate timeframe to open and close a short position.

3. Risk management: the EC considers that the absence of harmonised provisions on risk management controls for physical short selling is a valid reason not to allow these techniques.

   However, article 22 of the UCITS Directive states that "the management or investment company must employ a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio".

   If the absence of specific provisions for the management of risk for physical short sales is seen as an issue, the development of adequate guidelines should be seen as a priority. In this respect the recent CESR initiatives on risk management[10] could consider suggesting appropriate guidelines also in this respect.

4. Settlement risk: the EC considers that physical short selling implies additional settlement risks compared to similar exposures generated through derivatives.

   However, one could argue that securities settlement is by far a more secure and standardised process than financial derivative instruments settlement, which is manual and which may be a significant source of operational issues for back-office functions[11].

   Additionally, while a physical short sale position can be closed without particular issues at any time by buying the concerned securities, this may not hold true for synthetic short positions created via financial derivative instruments, due to their bilateral nature and the absence of a central clearer. In particular, and this is an extremely timely consideration, the BIS[11] considers that practices such as

[10] Refer to CESR's consultation on "Risk management principles for UCITS", August 2008, CESR/08-616 and to the expected CESR's paper on technical and quantitative issues related to risk management.

[11] Refer to the Bank for International Settlements (BIS) paper on "New developments in clearing and settlement arrangements for OTC derivatives", March 2007. Accordingly, for complex products such as non-vanilla credit derivatives, trade confirmation often is not achieved until T+30 or later. For non-complex products the situation is only slightly better.

novations (the replacement of a contract between two initial counterparties to an over-the counter derivatives trade with a new contract between the remaining party and a third party), closeouts (acceleration and termination of a contract prior to its maturity) and closeout nettings (contractual provisions to offset credit exposures between two parties combining them into a single net payment from one party to the other) all pose significant risks and challenges from an operational and legal points of view, in particular in case of counterparty default, which is, as we have recently experienced, not an impossible event.

Conclusions

As of now, physical short selling of securities under UCITS is clearly prohibited. Therefore, the challenge for the compliance function is purely a monitoring one, not anymore an interpretative one.

My personal view remains that there are good reasons to argue that from a technical and regulatory point of view, physical short selling should not be regarded as incompatible with the UCITS framework. This does not mean that such practice should be recommended or promoted, nor that I consider it particularly suitable for a retail investment product.

No matter how you see it anyway, the fact of having clarity on its eligibility under UCITS is surely a step forward as it eliminates areas of incertitude for compliance officers and avoids uneven regulatory interpretations in different jurisdictions.

Stefano Pierantozzi

Head of European Fiduciary Oversight & Research
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MEMBRES ET VIE ASSOCIATIVE

Nombre de membres (au 05/01/2009):

Banques	177
Fonds	78
Fonds / Banques	33
Assurances	47
Consultants / Réviseurs	34
Admin. et domiciliation de sociétés	17
Avocats	6
PSF	29
Gestion de fortune	5
Autres	6
Effectif total:	432

Membres effectifs	356
Membres d'honneur	76
Effectif total:	**432**

Réunions et activités:

Mensuellement	Réunions du conseil d'administration
1 / 2 x par an	Réunions plénières
2 / 3 x par an	Rencontres informelles autour d'un thème

MEMBERS AND ASSOCIATION ACTIVITIES

Number of members (as per 05/01/2009):

Banking sector	177
Funds sector	78
Funds / Banking sector	33
Insurance sector	47
Consultants / Auditors	34
Admin. and company domiciliation	17
Law firms	6
SFP	29
Asset management	5
Other	6
Total number:	432

Active members	356
Honorary members	76
Total number:	**432**

Meetings and activities:

Monthly	Board meetings
1 / 2 x per year	Plenary assemblies
2 / 3 x per year	Informal meetings on a subject

– **Board:**

Jean-Marie LEGENDRE	President
Claudine FRUTSAERT	Vice-President - Insurances
Alain HONDEQUIN	Vice-President - Banks
Patrick WATELET	Vice-President - Funds
Valerie ALEZINE	Treasurer
Sundhevy GOÏOT	Administrator
Jean-Noël LEQUEUE	Administrator
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