



Swiss Association
of Trust Companies

Bylaws

of the

Swiss Association of Trust Companies

("SATC")

Superseding the Bylaws adopted by the Founders' meeting held on 5 July 2007

SATC

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I. GENERAL PROVISIONS

Article 1: Name

The Swiss Association of Trust Companies (hereinafter referred to as “the Association” or “SATC”) has been constituted as an association, organised in accordance with articles 60 to 79 of the Swiss Civil Code and the present Bylaws.

Article 2: Registered Office

The registered office of the Association is in Zug, in the canton of Zug. The Association is registered in the commercial register and can establish regional offices.

Article 3: Duration

The Association is constituted for an indefinite period of time and can be dissolved by decision taken by the General Meeting, in accordance with the provisions of the present Bylaws.

Article 4: Purpose

The purpose of the Association is to engage in the furtherance and development of trustee activities in Switzerland, to ensure a high level of quality and integrity and the adherence to certain professional and ethical standards in the trust business in Switzerland. More particularly, but not exclusively, the Association aims:

1. to bring together registered entities with operative offices in Switzerland which are active in the trust industry for the exchange of know-how, information and ideas on trust related matters and to protect the interests of the members of the Association
2. to establish high quality, professional and ethical standards in the trust business in Switzerland and to ensure that such standards are adhered to by its members
3. to issue a recognised SATC seal of approval with the goal of setting high standards in terms of quality and service amongst trust professionals in Switzerland, such seal to be used exclusively by the Association’s members
4. to build up and strengthen the standing of the trust industry in Switzerland, to enhance the reputation of trustee activities, to increase the acceptance of services of companies and individuals engaged in the trust business and to promote the Association’s standards within Switzerland and internationally
5. to advance technical knowledge and to further and support high quality education in respect of managerial, legal, administrative and other relevant trust related subjects through the organisation and coordination of training sessions, conferences or fora for

members and other interested professionals, be it independently or in collaboration with other institutions, associations or bodies (in particular with the Society of Trust and Estate Practitioners (STEP))

6. to become an association recognised by the Swiss government and other influential bodies, associations and commissions in Switzerland and internationally, to undertake and support studies and research, to facilitate certain services to its members and to make suggestions and representations of a technical, practical, but non-political nature to governments and other bodies and therewith to ensure and promote high quality and ethical standards within the trust industry and to improve the industry's legal basis in Switzerland.

II. MEMBERS

Article 5: Membership

1. Membership of SATC is open to Swiss registered entities only. A member shall be of a high professional standing and sound reputation and shall perform trust activities (and any related activities) of high quality from within Switzerland. A member shall have operative offices in Switzerland with executive directors and employees with solid practical experience in the trust business.
2. An eligible entity of good standing may apply for membership. The admission of new members is the responsibility of the Committee of SATC. The admission procedures and the relevant requirements are set out in regulations by the Committee.
3. If an applicant does not meet all the requirements for membership, but is likely to become a member of SATC in the near future, the Committee may grant such an applicant SATC guest member status. The Committee may issue regulations on the requirements, rights and duties of SATC guest members.
4. A members' register shall be kept at SATC's head office and be updated by the Committee. A member may at any time apply for a confirmation from the Committee of its membership status.

Article 6: Cessation of Membership

1. Any member may resign from the Association by giving one calendar month's notice in writing, addressed by registered mail to the SATC Office. The resigning member remains liable for the financial contributions due for the current year.
2. Membership terminates upon a member's entering into liquidation proceedings.

3. The Committee may, through a disciplinary board established in accordance with the regulations impose sanctions on a member or exclude a member.
4. A member who is sanctioned or excluded by the Committee may appeal in accordance with the regulations.

Article 7: Financial Contributions and Liability of Members

1. An application fee and the annual membership fees are levied by the Committee in such amounts as are determined by the Committee from time to time.
2. No member is liable beyond the amounts due by him by virtue of paragraph 1 here above.
3. Only the assets of the Association shall be available to cover any debts of the Association and the members shall have no liability whatsoever for any debts of the Association.

Article 8: Members' Rights and Duties

1. Members, through a designated representative appointed by the respective member, may attend and vote through said representative at meetings.
2. Members, through their designated representative, are eligible to be elected as Committee members.
3. Members may declare themselves members of the Association and they may use the SATC seal of approval on any and all printed materials or on web-related communications, as directed by the Committee in its regulations.
4. All members are at all times bound to respect the laws of Switzerland and any other laws in which they may practice or that govern a trust of which the member is a trustee or which a member is administering.
5. All members shall observe the Bylaws of the Association, the SATC Code of Ethics and Business Conduct and any regulations passed by the Committee. Furthermore, members shall comply with the requirements of the annual SATC member review as detailed by the Committee.

III. ORGANISATION

Article 9: Structure

The bodies of the Association are:

- (a) the General Meeting
- (b) the Committee
- (c) the Advisory Board
- (d) the Auditors

Article 10: The General Meeting

1. The General Meeting is the supreme authority of the Association and exercises all powers and competences not attributed to any other body, either by law or by virtue of the present Bylaws. In particular, it:
 - (a) adopts and amends the Bylaws,
 - (b) approves or rejects the Association's annual management report and accounts,
 - (c) discharges the Committee,
 - (d) elects (and, if required, dismisses) suitable individual members of the Advisory Board,
 - (e) elects the Committee members and the Auditors (and, if required, dismisses them),
 - (f) dissolves the Association.
2. The General Meeting will be held annually within six months following the end of the accounting year, at such a place and time as may be determined by the Committee and notified to all members with a minimum of 21 days' notice, together with the agenda, the annual accounts and the Committee's and the Auditors' reports (such information to be mailed by post or by electronic means). Extraordinary General Meetings may be convened at any place by the Committee following the same procedure (except for the annual accounts and reports), either on its own initiative or at the request of at least one fifth of the members.

3. The General Meeting is chaired by the Chairman of the Committee, or failing the Chairman's availability by another Committee member.
4. Every member entitled to vote has one vote upon every motion. In case of equality of votes the Chairman of the Meeting has a casting vote. Votes by written proxies are authorised, provided the proxy holder is another member entitled to vote. Guest members do not have a voting right.
5. The quorum for the General Meeting is the lesser of either 50% of the members or at least ten members, present in person through their representative or represented by written proxy.
6. Unless otherwise provided for in the present Bylaws, all decisions are adopted by majority vote of all members present or validly represented by written proxy. For votes on the amendment of the Bylaws and the dissolution of the Association, a quorum of three quarters of the members must be present in person through their representative or represented by written proxy.
7. Unless a ballot vote is specifically requested for, voting shall be by show of hands.
8. All decisions and deliberations are minuted and circulated to the members within 60 days following the General Meeting.

Article 11: The Committee

1. The Association is managed by a Committee of at least three members. The Committee is composed of representatives of members of the Association elected by the annual General Meeting. A member may have only one elected representative. In the first year, at least one half of the Committee members are elected for a period of three years, the other half for a period of two years. Thereafter, all Committee members are elected for a two year period. They are eligible for re-election.
2. Committee members hold their post by virtue of both their personal standing in the Association as well as their employment with a member organisation. Where a Committee member is no longer employed by a member organisation, where the member organisation chooses to change their Committee member representative, or where a member whose representative is on the Committee ceases to be a member of SATC such Committee post is deemed to be automatically vacated. Employment shall include any executive director of the member.
3. The Committee has the power to co-opt such member as it may think fit, either to fill a vacancy or as additional Committee member to hold office until the next annual General Meeting.

4. The Committee shall appoint its own officers, however, at least the following offices must be occupied: Chairman, Vice Chairman and Treasurer.
5. The Committee organises its activities independently and meets at least quarterly or whenever necessary, on the invitation of the Chairman or the Vice Chairman. Each Committee member can request the Chairman or the Vice Chairman to call in a Committee meeting.
6. The Committee exercises executive power in order to manage and administer the activities of the Association, as well as any other task incumbent on the Committee or submitted by the General Meeting.
7. The duties of the Committee include all powers and duties not vested in the General Meeting, including:
 - to realise the aims of the Association as defined in Article 4 of the present Bylaws
 - to issue regulations
 - to issue, in consultation with the Advisory Board, the Code of Ethics and Business Conduct
 - to administer the funds pertaining to the Association
 - to call General Meetings and implement the resolutions
 - to approve the admission of members
 - to hold a register of members
 - to determine and collect admission fees and annual membership fees
 - to represent the Association in relation with other parties
 - to deal with the day to day business of the Association
 - to maintain a clear accounting system and establish a balance sheet, an account of assets and liabilities and to present an annual report
 - to establish mechanisms to review the activities of SATC members and to review the activities of (and if necessary, to impose sanctions on) SATC members, in particular regarding their compliance with the rules and regulations issued by SATC and their living up to the professional standards of SATC,

- to initiate, organise and coordinate training sessions, conferences or fora for members and other interested parties.
- 8. The Committee may delegate the execution of certain special tasks to ad-hoc commissions or members designated by it to this effect.
- 9. The quorum for Committee meetings is established if at least 50 per cent of the Committee members are present. The Committee adopts its resolutions by majority vote of the members present. In the case of equal votes, the Chairman has a casting vote. For votes on the admission and proposal to exclude members, a majority of 2/3 of the Committee members is necessary. Where a member of the Committee has a potential conflict of interest he or she shall inform the Committee and shall abstain from voting on any such related matter.
- 10. Minutes of all decisions shall be kept.
- 11. The members of the Committee shall keep any information of a sensitive or delicate nature, in particular information on SATC members, strictly confidential.
- 12. The Committee appoints its members who may represent the Association vis-à-vis third parties and who have the signing authority on behalf of the Association jointly by two. The Chairman and the Vice Chairman are automatically among the persons exercising the representation and signing powers of the Association.
- 13. Committee members are not entitled to any remuneration, but may claim reimbursement of all reasonable expenses incurred during their office, subject to presentation of all supporting documents to the Treasurer within reasonable time.

Article 12: The Advisory Board

1. The Advisory Board is composed of at least three individuals who are private independent advisors to the trust industry or other influential professionals resident in Switzerland, not having a controlling interest or executive functions in a member of SATC or a company which may be eligible to become a member of SATC.
2. The members of the Advisory Board are elected by the General Meeting. In the first year, one half of the Advisory Board members are elected for a period of two years, the other half for a period of three years. Thereafter, all members are elected for a three year period. The board members are immediately eligible for re-election.
3. The Advisory Board meets at least twice a year, on its own initiative or on the invitation of the Chairman of the Committee.
4. The function of the Advisory Board is to advise the Committee on the following issues:

- qualification requirements for new members
 - determination (and from time to time adjustment) of the professional and ethical standards to which members of the Association must adhere
 - advice of the Committee on specific matters as they may arise
 - proposal of ideas, motions and concepts for the future development of the Association and its position within the Swiss and international financial environment
 - providing guidance to the Committee and assistance with contacts with government agencies and other organisations or institutions within and outside of Switzerland, as may be required.
5. The Advisory Board shall report annually in writing on its activities and findings during the year to the members of SATC.
 6. The Advisory Board adopts its resolutions with a majority of two thirds of the members present. Where a member of the Advisory Board has a potential conflict of interest he or she shall inform the Advisory Board and shall abstain from voting on the matter.
 7. Minutes of all decisions of the Advisory Board shall be kept and passed on to the Committee.
 8. The members of the Advisory Board may be paid an honorarium which is fixed from time to time by the General Meeting. The Advisory Board members may be reimbursed all reasonable expenses incurred during their office, subject to presentation of all supporting documents to the Committee Treasurer within a reasonable time limit.
 9. The members of the Advisory Board may chose to elect a Chairman of the Advisory Board and such other officers as may be necessary to enable the Board to carry out its functions.

IV. FINANCIAL

Article 13: Resources

The resources of the Association consist of:

- the membership contributions referred to in Article 7 here above;

- revenues from providing/organising training sessions, seminars, conferences or symposia or any other activities of or promoted by the Association;
- income earned on its assets;
- sponsorship;
- gifts and donations.

Article 14: Accounts and Auditors

1. The accounts of the Association are kept by the Committee or their delegated representative. The accounts must be approved by the annual General Meeting.
2. The accounting year coincides with the calendar year.
3. The General Meeting elects the Auditors for a one-year term and fixes their remuneration. The Auditors are eligible for re-election. They audit the accounts of the Association and report to the General Meeting in writing.

V. MISCELLANEOUS

Article 15: Regulations

The Committee may issue and amend regulations which may not be contrary to Swiss law or to these Bylaws.

Article 16: Amendment of Statutory Provisions

The present Bylaws may be amended by the General Meeting, by a majority vote of 3/4 of the voting members present in person or represented by written proxy.

Article 17: Dissolution of the Association

1. The dissolution of the Association is in the competence of the General Meeting which must adopt the resolution to this effect with a majority of 3/4 of the voting members present in person or represented by written proxy.
2. In the event of the dissolution of the Association, the proceeds of the liquidation will be transferred to a similar association based in Switzerland or to a Swiss charity as may be determined by majority decision of the members.

Article 18: Entry into effect

The present Bylaws shall come into effect upon adoption by the Extraordinary General Meeting.

Article 19: Jurisdiction

Any dispute arising from, or related to, the present Bylaws will be brought before the courts of Zug, Switzerland.

Adopted by the Extraordinary General Meeting this 24th day of January 2008

The Chairman

The Vice Chairman