
Minutes of the general members' meeting of 27 June 2023

Board members present: Melinda Rook RBA, president
Inge van den Doel
Noortje Draper RBA
Raphie Hayat CFA
Linde Kok CFA
Alex Morozov CFA
Vincent Stap CFA

Representatives of the staffed office present:

Anne-Marie Munnik RBA, executive director
Irma Willemsen, minutes secretary
Joost van der Mandele
Heleen de Vlaam

Present: 21 voting members

Apologies: Cees Harm van den Berg CFA, vice-president & treasurer
Anisa Salomons
4 members

1. Opening of the meeting

At 17:00 hours, the president opens the meeting.

2. Minutes of the general members' meeting of 26 October 2022

The minutes are adopted, with thanks to the minutes secretary.

3. Recent developments education

Anne-Marie updates the members about the relaunch in 2020 of the RBA program. It was redesigned with three university partners where in the past there was only one, the VU.

After the first module unfortunately the lectures had to go online due to Covid.

The first group of students will graduate tomorrow. The response of this group is that they like the setup of being in a classroom. They can also bring in their own case studies, things that they encounter in their own organization.

Last January a new class has started. It is a modular program so basically one can start at any time. The modules are set up but there is continuous finetuning based on feedback of students. The three Change modules will even be more executive education like, starting in September and marketed as separate Masterclasses.

The MiFID II stay compliant program has a good position. We are offering the program for the third year. Being a market leader in this program for the institutional space we need to keep on investing in content, learning platform and logistics.

The education committee does a lot of work for this program. It has currently a new chair, Arjen Monster. There are vacancies, especially for a person with a legal background.

4. Approval regulations certification mark CIOP (voting item)

CIOP is an educational program that exists for 16 years. It is focused on investment professionals in areas like IT, Operations, Finance, Operational Risk and Audit.

Tracks include Introduction to financial markets, Portfolio Management, Securities Operations and Asset Servicing, Risk Management and Compliance, AI in Finance, Treasury, Block Chain in Finance, Derivatives.

Stichting CIP has been transformed into CIOP.Academy responsible for the program.

The program fits and complements our own educational offerings. CFA Society Netherlands will facilitate permanent education and Stichting VBA Opleidingsinstituut Morreau will maintain a register of graduates.

CIOP holders and candidates are welcomed to join CFA Society Netherlands.

Alliance fits with our mission to be a society for all investment professionals in the Netherlands.

CIOP is a trademark registered by CFA Society Netherlands. Therefore we need regulations that governs and monitors the use of the trademark. These regulations needs to be adopted by the general meeting. They were distributed with the agenda.

Members are invited to vote on approval of the regulations for the certification mark CIOP. The regulations certification mark CIOP is voted on with 100%.

How do you vote on approval of the regulations for the certification mark CIOP?

- A. In favour 15/22 (68%)
- B. Abstain 1/22 (5%)
- C. Against 0/22 (0%)
- No answer 6/22 (27%)

The regulations for the certification mark CIOP are adopted.

5. Approval of the intention to dissolve RMFI foundation (voting item)

The VU has announced that the Risk Management for Financial Institutions program will cease to exist. We will maintain the register, but permanent education is no longer mandatory. It is the intention of the board to dissolve the separate foundation for RMFI. The register will be maintained by Stichting VBA Opleidingsinstituut Morreau.

Members are invited to vote on the intention of dissolving the RMFI foundation. The dissolving of the RMFI foundation is voted on with 100%.

How do you vote on the dissolving the RMFI foundation?

- A. In favour 18/20 (90%)
- B. Abstain 0/20 (0%)
- C. Against 0/20 (0%)
- No answer 2/20 (10%)

The intention to dissolve the RMFI foundation has been approved. As a follow-up the board will make the decision to dissolve the foundation.

6. Update annual plan 2023-2024

Anne-Marie explains about the five pillars in the strategy: Member value, Volunteer management, Education, Outreach and Finance. In the beginning of this year we had a

strategy session, to talk about our objectives for this year, how to measure it and the alignment of our strategy with CFA Institute's strategy. The presentation shows more or less a recap of what the board has decided upon.

We serve our members by delivering value that ensures they remain at the top of their profession and meets their needs. We are going to do a member value survey to learn what specific benefits members are looking for to ensure we offer members the value that best fits their needs, capabilities and resources. And we will further track the engagement by members opening the newsletters, following us on LinkedIn and members attending the events.

Our large group of volunteers, which has been built up over years, is where our society thrives, enabling us to realize our objectives. There will be an unchanged focus on committees who remain our main source of volunteering opportunities. In addition, we want to improve volunteer application, matching and maintenance processes. We are exploring the role of volunteer coordinator to facilitate processes.

We will be promoting our broad education portfolio and in particular work on further increasing the visibility of the RBA program and separate masterclasses/modules in the market. Our education portfolio is a combination of locally created content (f.i. MiFID program) and curation and distribution of content created by CFA Institute (f.i. ESG certificate) or others (f.i. CIOP.Academy).

In the Fall we will have the following professional learning modules: Advanced Asset Allocation by the VU and Mastering change in sustainability, Mastering change in new investment technologies and Mastering change in lifecycle and DC investing by TIAS.

The fourth pillar is Outreach. In the past we talked about advocacy. However we think that is a bit too narrow definition being about standards, thought leadership and impact. Outreach being the whole activity which could be towards sponsors, the press, companies and advocacy will be part of that.

Leveraging on (ample) resources, both in the local society as well as in CFA Institute, to demonstrate knowledge in and contribute to in particular: Ethics and integrity, Responsible investing and Pensions.

We see the Advocacy committee as a funnel for coordinating content and making content visible. Diversity, Equity and Inclusion is a focus point in Outreach this year. We started with a CIO round table (Feb 23), our own Inclusion survey (Apr-Jul 23) and in the background we are promoting adoption of the CFA Institute DEI code. We expect the European version of this code to be ready by the end of this year.

7. Adoption of the 2023-2024 budget (voting item)

With the treasurer absent, Raphie explains the budget for the coming society year. A slight deficit of 8,401 euro is budgeted. Expenses will increase a bit more than income. We expect our income to increase, mainly due to an increase in the number of members relative to last year, but also to a positive exchange rate effect. As for the cost trend, we expect an increase because we will be charged higher costs in respect of events and office expenses, for instance. We have mitigated the cost inflation by budgeting lower expenditure on items such as marketing and board.

CFA Institute provides financial support to the local societies in various ways. Each year, we receive so-called operational funding, consisting of a fixed amount (USD 63,000), a contribution per member (USD 28), a contribution per CFA candidate (USD 9-25) and a contribution for participation in the CFA Institute Research Challenge.

The funding provided by CFA Institute will not rise as much as the membership fees. This is due partly to the fact that the funding not fully varies in line with the number of members and partly to the fact that it is paid out in US dollars, for which a variable exchange rate is used (and the US dollar depreciated relative to the euro in the past year).

We also expect slightly lower income from events and programs than budgeted last year. The reason for this is that the number of employees that are required to maintain their knowledge and competence under MiFID II does not appear to be increasing further. This has an impact on the participants in our MiFID II Stay Compliant Program. For our events and programs, the board has not opted to pass on the increase in costs.

Costs and revenues for the ALM conference will be transferred from the foundation to the society as all events are organized within the society. Please note that we will be start paying VAT on revenues because of this.

As for the strategic sponsorship funds, we have implemented a small inflation correction.

Cody Martian: What is the strategy in terms of sponsors? I only see a slight increase.

Anne-Marie Munnik: We have elected to maintain our focus on the existing strategic sponsors. However we are reconsidering our sponsor policy this year because we do see interest from other companies.

Events and programs have come to represent a substantial part of the society's budget. These also require expenditure on items including venue hire, wage costs and (technical) support. For the budget year ahead, we have applied an inflation correction of 5% for many costs and for some items we have made an even greater adjustment. In the budget we have included a further expansion of the staffed office for education. Part of the society's wage costs are charged on to Stichting VBA Opleidingsinstituut Morreau.

For this year we have decided not to increase prices despite the inflation. We can anticipate that in the next fiscal year we do have to increase some of the prices.

For the Morreau foundation in the year ahead, the various universities that we work with, will place even more focus on the modules in their own program offerings, which could attract new participants. The total income from the RBA program will be lower, because it is based on fewer modules being offered as compared to the previous budget.

On the cost side of the foundation, the expenditure will be lower, which is due on the one hand to the lower number of modules that will be offered during the budget year and on the other hand to the fact that no further investments in setting up the RBA program are needed. Finally, this year the royalties that were part of the earlier financial arrangements for the RBA program will no longer be included in the budget.

All this has an impact on the budgeted bottom-line result. We expect to see a higher loss in the year ahead than in the past year (around EUR 48,000, versus EUR 29,000 last year). The Morreau foundation has sufficient capital to absorb this. Furthermore, the loss depends very much on the popularity of the RBA program, which we have currently rated very conservatively.

Members are invited to vote in adopting the budgets for the Society and the Morreau foundation. The 2023-2024 budgets for both the Society and Foundation are voted on with 100%.

How do you vote on the proposal to adopt the 2023-2024 budgets for the Society and the Morreau foundation?

- A. In favour 18/20 (90%)
- B. Abstain 0/20 (0%)
- C. Against 0/20 (0%)
- No answer 2/20 (10%)

The budgets for the Society and the Morreau foundation have been adopted.

8. Any other business

Raphie Hayat adds that CFA Institute is really listening to members in terms of their education needs. The certificates for ESG and climate risk are something they improved on. Melinda Rook ends to say that the next General Meeting is in October. Three of the current board members, where she is one of, are stepping down because their term is due. There is an opening for two new board members. A vacancy has been send around.

9. Closing remarks

The vice president closes the meeting at 17:45 hours, thanking all those for their attendance.

Signatures

Melinda Rook

Cees Harm van den Berg