

Summary for the Board: Changes to the Articles of Association

The proposed changes to the Articles are intended to update and expand the Society's membership framework, to maintain consistency with CFA Institute's own membership structure and to provide flexibility to engage a broader range of investment professionals in the future. The changes fall into four categories, each the subject of a separate special resolution.

The proposed amendments as set out in Resolutions 8 to 11 will be proposed as special resolutions and will require the support of at least 75% of the votes cast.

Category 1 – Resolution 8 (Yellow): Removal of Regular Member Class and Introduction of Charterholder and Professional Member Classes

This category of changes concerns the splitting of the Regular Member class into two new voting classes. Regular Members who hold the CFA Charter will move into the new Charterholder Member class. Regular Members who do not hold the CFA Charter will move into the new Professional Member class, which is aimed at mid-to-senior investment professionals who hold recognised international qualifications, including the ASIP qualifications, and have the relevant work experience.

Article(s) Affected	Nature of change
Article 1 (Definitions)	The definition of Regular Members has been deleted and replaced with two new definitions: Charterholder Member and Professional Member.
Article 1 (Definitions)	The definition of Voting Member has been updated to refer to Charterholder Member and Professional Member.
Article 1 (Definitions)	The definition of Member has been updated to list the new Charterholder and Professional Member classes.
Article 5 (Classes of Members)	Article 5 has been amended so that the Society's member classes include Charterholder and Professional, while removing the Regular Member class from the definition.
Article 6 (Charterholder Member Eligibility)	The qualifications required to become Charterholder Members have been added, including requiring the Members to be regular members of CFA Institute and to fulfil any such other requirements as the Society may impose consistent with the CFA Institute's requirements.

Article 7 (Professional Member Eligibility)	The qualifications required to become Professional Members have been added, including requiring the Members to be members of CFA Institute and to fulfil any such other requirements as the Society may impose consistent with the CFA Institute's requirements.
Consequential changes to the Articles	References to Regular Members have been replaced with references to Charterholder and Professional Members.

Category 2 – Resolution 9 (Turquoise): Removal of Companion Member Class and Amendment to Candidate Member Class

This category of changes concerns two changes to existing member classes, neither of which have any current members.

Article(s) Affected	Nature of change
Article 1 (Definitions)	The definition of Companion Member has been removed.
Article 1 (Definitions) and Article 11	The eligibility criteria for Candidate Member class have been updated to cover candidates who are not eligible to join the Professional or Associate class and are studying for CFA UK Society qualifications (such as those enrolled for a Society qualification at Ofqual Level 4 or a Society award at Ofqual Level 3). Article 11 has also been amended so that each applicant seeking to become a Candidate Member shall have enrolled for a Society qualification or award (rather than the CFA Program) and shall fulfil such other membership requirements as may be specified by the Board.
Article 1 (Definitions)	The definition of Voting Member has been updated to remove the Candidate class as voting members.
Article 27 – Class Protection	The Article in respect of the Affected Class has been amended to remove Candidate and Companion Members.

Article 29 – New Articles in relation to materially adverse changes to the rights of Candidate Members	A new Article has been added to provide that materially adverse changes to the rights of Candidate Members shall require the approval of the Voting Members by special resolution.
Consequential changes to the Articles	Throughout the remaining Articles, references to Companion Members have been removed and updated accordingly.

Category 3 – Resolution 10 (Grey): Introduction of New Non-Voting Associate Member Classes

This category of changes introduces two new non-voting Associate and Society Only Associate Member classes into the Articles.

Article(s) Affected	Nature of change
Article 1 (Definitions) and Article 5 (Member Classes)	New definitions of the Associate Member class and Society Only Associate Member class have been added and the list of Member classes in Article 5 have been updated accordingly.
Article 9 (Associate Member Eligibility)	A new Article has been added to provide the requirements for the Associate Member class, including requirements to fulfil any such requirements specified by the Board from time to time consistent with the requirements established by CFA Institute and, in addition, each applicant to become an Associate Member other than a Society Only Associate Member shall also complete any ethics training requirements imposed by CFA Institute.
Article 10 (Society Only Associate Member Eligibility)	A new Article has been added to provide the requirements for the Society Only Associate Member class, including the requirement to fulfil any such requirements as may be specified by the Board from time to time.
Article 28 (Class protection for Associate Member and Society Only Associate Member)	A new Article has been added to provide that no changes in the Articles which are materially adverse to the rights of either Associate or Society Only Associate Members

	shall be made without the approval of the Voting Members by special resolution.
Article 117 (Professional Conduct Obligations for Society Only Associate Members)	Under the new Article, Society Only Associate Members will each year be required to comply with the CFA Institute Code of Ethics and Standards of Professional Conduct and to notify the Society of any matters relating to investigations, sanctions, litigation or other matters relating to their professional conduct or suitability for membership.
Consequential changes to the Articles	Throughout the Articles, references are updated to include the new Associate Member and Society Only Associate Member classes without further substantive changes. These Articles relate to provisions that apply to all Member Classes.

Category 4 – Resolution 11 (Green): Modernisation and Conforming Amendments

This category of changes covers a series of further amendments to the Articles arising from a close review of existing provisions. They relate to the following:

Article(s) Affected	Nature of change
Article 1 (Definitions)	The definition of Retired Status has been updated to Professional Leave Status to describe it as a dues status which allows a current or past Charterholder, Professional or Affiliate Member who qualifies for such status to pay reduced membership dues because they are not currently working in a full-time position, for example as a result of family, health or personal matters, unemployment, retirement, change of profession or full-time study. Further consequential changes have been made to reflect the updated defined term across the Articles.
Consequential drafting updates	The first page, index and various Articles have been updated to reflect the updated definitions, cross-references to Articles and new formatting changes.