

I. Constitution, Domicile, and Duration

Article 1.- The Association is named “Asociación de Supervisores Bancarios de las Américas” (hereinafter “ASBA” or “the Association”) and that name must always be followed by the words ASOCIACION CIVIL (CIVIL ASSOCIATION, in English) or “A.C.”. The Association shall be governed by these bylaws and other regulatory provisions approved by its governing bodies and, where not provided for, by the applicable legislation at its corporate address.

Article 2.- The Association has its registered office in Mexico City and may establish branches or representative offices anywhere in the Americas.

Article 3. - The life span of the Association is indefinite. However, it may be dissolved at any time, in accordance with the procedures outlined in Article 27 of these by-laws.

II. Corporate Purposes

Article 4. - The Association has the following purposes:

- a. To promote and maintain close communication between the Members of the Association to facilitate their cooperation.
- b. To provide a high-level forum for members to exchange information, ideas, techniques, knowledge and experiences on financial regulation and supervision.
- c. To promote and develop research and analytical documents on financial regulation and supervision, as well as on financial stability.
- d. To organize and conduct regular training and technical cooperation programs among its Members.
- e. To promote exchange and cooperation relationships with non-member banking supervisors, financial standards institutions, international and multilateral technical cooperation entities, other organizations with similar purposes and with organizations representative of supervised entities.
- f. In general, to carry out activities related to its corporate purposes.

III. Members

Article 5. - Associate Members and Collaborator Members

The Association shall have various Member classes, including:

1. Associate Members:

- a. Institutions responsible for financial regulation and supervision in the American continent.
- b. Institutions with significant banking supervision responsibilities as home supervisors of internationally active banks with operations in the American continent.

2. Collaborator Members:

- a. Central Banks and government agencies without financial supervision responsibilities and with similar purposes to those of the Association.
- b. Institutions with proven capacity to offer the Association technical or financial assistance.

Article 6. - Subject to a resolution adopted by the Assembly, each Associate or Collaborator Member shall be represented by the highest-ranking official of the entity, or by the person it appoints before the Association.

Article 7. - To become an Associate Member, the highest authority in the banking supervision entity must submit a written request to the Chairman of the Board of Directors. The Board of Directors shall present the petition and its recommended decision to the Assembly for a vote during the annual meeting.

Article 8. - To become a Collaborator Member, the highest authority in the interested entity must submit a written request to the Chairman of the Board of Directors. The Board of Directors shall present the petition to the Assembly for a vote during the annual meeting. A Collaborator Member may apply to become an Associate Member after three years; the Board of Directors shall recommend a decision to the Assembly for a vote during the annual meeting.

Article 9. - On a case by case basis, the Board of Directors shall recommend the Assembly to suspend or expel a Member of the Association if it fails to fulfill the obligations described in Articles 10 and 11, or for carrying out activities that negatively affect the Association. The expulsion shall be confirmed by a two-thirds vote of the Assembly of the Associate Members; in all cases, the Board of Directors shall notify the affected party of the accusation against it and grant it no less than ten days to gather evidence and argue on its defense. The resolution adopted by the Assembly shall be irrevocable, and the Associate Member may not be judged more than once for the same matter.

Article 10. - Rights and Obligations of the Associate Members

- a. To participate and vote in the Annual Assembly, subject to the procedures and limitations established in Articles 12, 13 and 14.
- b. To participate in the election of the Chairman and Vice-Chairman of the Board of Directors and have its elected regional representatives serve as Directors, except for the Associate Members from the Non-Regional Group who shall not have the right to serve as a Director or to participate in the election of the Chairman or Vice-Chairman, unless its group has at least three members.
- c. To have access to the activities and services organized by the Association in accordance with the programs approved by the Board of Directors.
- d. To participate in the Board of Directors' Committees and Working Groups.



- e. To effectively support the Association in achieving its goals.
- f. To respond to the Association's requests for information and surveys in a timely and adequate manner.
- g. To designate a liaison with decision-making powers for technical analysis, cooperation, and training before the Association.
- h. To make its contributions within two months of receiving the deposit notice.
- i. To have access to the resolutions issued by the Association's governing bodies.

Article 11. - Collaborator Members shall have the following rights and obligations:

- a. To attend the Annual Assembly as observers;
- b. To have access to the activities and services organized by the Association in accordance with the programs approved by the Board of Directors;
- c. To participate in the Board of Directors' Committees and Working Groups.
- d. To effectively support the Association in achieving its goals;
- e. To make its contributions within two months of receiving the deposit notice; and
- f. To have access to the resolutions issued by the Association's governing bodies.

IV. Internal Organization

The following are the Association's governing bodies:

- a. The Assembly
- b. The Board of Directors
- c. The Secretary General

Article 12. - The Assembly is the Association's supreme authority and shall be comprised of all the Associate Members as voting members and Collaborator Members as observers. The Assemblies may be classified as Ordinary or Extraordinary. Extraordinary Assemblies shall be convened to deal with any matter related to the Bylaw's amendment, the acquisition of required property through a deed of sale, and the disposal or taxation of said property or to discuss any of the specific cases described in these Bylaws. Ordinary Assemblies shall be convened to deal with any other matter of interest to the Association.

The Assembly shall be convened at least once a year and shall hear the following matters, among others:

- a. Approve the Association's annual plans and programs.
- b. Ratify or remove Board of Directors Members.
- c. Hear and approve the annual report, the financial statements, and the annual budgets submitted by the Directors.
- d. Hear and decide on the admission or exclusion of Associate Members.



The Assemblies will be summoned, with at least fifteen calendar days prior to the date on which they will be held, by the Chairman or the Secretary General, via a written Assembly meeting communication to all Associate Members, whom shall confirm its receipt. The meeting communication shall have detail of the Agenda, date, time and place of the Assembly, and shall be signed by the Chairman or by the Secretary General. The Notice of Meeting may be dispensed with if all the Associate Members are present.

The Assemblies may only hear the matters listed on the Agenda, unless every Associate Member is present at that Assembly. The Chairman of the Board of Directors, or whomever that Assembly may appoint, shall preside over the Assemblies. The Associate Members may be represented by a simple power of attorney.

Article 13. - Powers of the Assembly

- a. To approve and amend the Association's Bylaws.
- b. To determine the amount and method of payment of the contributions from the Associate and Collaborator Members.
- c. To rule on the admission of new Associate Members and Collaborator Members, and on the termination of their membership.
- d. To elect the Chairman and Vice-Chairman of the Board of Directors.
- e. To review the reports from the Secretary General, the discussions and resolutions of the Board of Directors including but not limited to: regular reports to the Associate Members; Annual Report of the Board of Directors; audited financial statements; operational plan and budgets, and governance and compliance evaluations.
- f. To request any information from the auditing firm at any time.
- g. Other powers derived from the implementation of these Bylaws.

Article 14. - For an Assembly to be legally valid at the first or subsequent time a summon of the Meeting, and the presence of at least fifty percent of the Associate Members are required. Resolutions shall be binding when approved by the majority of the Associate Members present, except in cases where the law or these Bylaws indicate otherwise. Each Associate, notwithstanding the amount of its contributions, shall appear with voice and a vote. The Chairman shall cast the deciding vote in the event of a tie. The Associate Members shall not vote on decisions in which they are key stakeholders. The decisions of the Assemblies adopted within the terms of these Bylaws shall be binding to all Associate Members, even for those absent or dissident.

The Minutes of each Assembly shall be recorded in the Association's Assembly Minutes Book, as a record of the issues considered and the resolutions discussed and adopted. The validity of the Minutes shall be corroborated by the signature of the Chairman, Secretary General, if they attended, and other Associate Members who may wish to sign it.



Article 15. - Board of Directors

The Board of Directors shall be comprised of a Chairman, a Vice-Chairman, and Directors with the right to represent their respective regional group. The Non-Regional Group shall have a Director if the group has at least three members.

For purposes of this and subsequent Articles, the Associate Members will be organized in five Regional Groups (Central America, Caribbean, Southern Cone, Andean Region, and North America) and a non-regional group.

The Board of Directors must be free of any interest, business or any other relationship that could interfere with its independent judgment regarding the Association.

Article 16. - Election of the Chairman and Vice-Chairman

The Chairman and Vice-Chairman shall be elected by a percentage higher than 50% of the Assembly votes and shall serve for a period of two years from the date in which they are elected. The Chairman and Vice-Chairman must have served previously as Regional Directors or as Chairmen of the Board Committees. The Chairman and Vice-Chairman may be elected for no more than two consecutive terms in the roles of Chairman or Vice-Chairman. The Chairman and Vice-Chairman may not be from the same region. The Chairman and Vice-Chairman shall be elected during the Assemblies held in even-numbered years. These positions may not be delegated to another person under any circumstances or by any means.

Article 17. - Vacancy of the Chairman or Vice-Chairman

If the Chairman of the Board of Directors ceases to hold his position with his Associate Member, the Vice-Chairman shall assume the role and responsibilities of the Chairman for the Chairman's remaining term until a new Chairman is elected at the Annual Assembly. The Vice-Chairman shall continue in the role of Vice-Chairman for the term remaining until the following Assembly.

In the absence of the Chairman and Vice-Chairman, the Secretary General shall call an extraordinary Board of Directors meeting to elect by more than 50% of the votes one of its directors to conclude the Chairman's remaining term until an Assembly meeting is convened where a new Chairman and Vice-Chairman will be elected.

Article 18. - Duties of the Chairman and Vice-Chairman

In addition to providing leadership, the Chairman and Vice-Chairman of the Board of Directors will have as their main functions the monitoring and control of the Association's institutional objectives, the approval and compliance verification of internal policies and procedures, and the oversight of the management of the Association's financial and nonfinancial resources.

Article 19. - Regional Directors

The regional Associate Members will elect their Director for a two-year term as follows: the Caribbean and Central America Directors in odd years and the North America, Southern Cone and Andean region Directors in even years. The Non-Regional Group will elect its Director the year it



has at least three members. The Board will present the newly elected Directors at the Annual Assembly meeting.

The Directors' representation is regional and the function cannot be delegated unless there is a justifiable request in writing approved by the Board of Directors. Directors are responsible for representing their region and for keeping their respective Associate Members informed of the Association's activities.

If there is a vacancy in a Regional Director during his mandate, the regional Associate Members shall elect a new Director to serve out the remaining term.

The Board of Directors must actively participate in the Association matters. If a Director has a conflict and cannot attend a Board meeting, he/she may designate in writing to the Chairman a substitute to attend the meeting and vote on his/her behalf. If a Director does not attend two consecutive meetings, without a justifiable cause, the Board of Directors could ask the regional group to elect a new representative to fulfill the remaining term.

Article 20. - Powers of the Board of Director

The Assembly shall grant the Board of Directors the broadest powers possible under the law without any limitation, with the following authority and powers:

- a. For lawsuits and collections, in the terms described in the first paragraph of article 2554 of the Civil Code of the Mexico City and related articles of the Civil Codes of all States of Mexico; it is empowered to execute those capabilities that, according to the law, require special clause in terms of article 2587 of the above-mentioned Code and related articles of the Civil Codes of all States of Mexico, including, but not limited to, the following: to desist, even from protection trial; to compromise; to commit on arbitrage; to absolve and articulate positions; to transfer property; to refuse; to receive payments; to elaborate complaints and contribute with the Public Prosecutor and for all other actions specifically determined by the law.
- b. To manage property, pursuant to the terms of paragraph two of Article 2554 of the Civil Code for the Mexico City and its related articles in the Civil Codes of all States in the United Mexican States.
- c. To execute dominion actions in the terms described in the third paragraph of Article 2554 of the Civil Code for the Mexico City and its related articles in the Civil Codes of all States in the United Mexican States.
- d. To grant, underwrite, guarantee and intervene in any form in all types of credit securities, in terms of Article 9th of the General Law of Credit Securities and Operations.
- e. To grant and revoke powers for lawsuits and collections, acts of administration, acts of ownership and granting and subscribing negotiable instruments to the Chairman or the Secretary General, as well as for lawsuits and collections, and administration acts to third parties, pursuant to the terms established by a majority of the Board of Directors.
- f. To approve and verify compliance with institutional policies and standards for the appropriate implementation of the organization's programs and projects.
- g. To oversee and monitor the implementation of the Association's strategic plan.



- h. To delegate the rights and powers, it deems necessary to the Secretary General, through resolutions adopted by the Board of Directors.
- i. To approve the minutes of the meetings of the Board and the Assembly.
- j. To approve the Association's Strategic Plan, the Annual Operational Plan, the Annual Budget, the Annual Board of Directors' Report, and submit them to the Assembly for consideration.
- k. To oversee the implementation of the Association's technical agendas.
- l. To select and negotiate a contract for the Secretary General.
- m. To evaluate the performance of the Secretary General at least once per year.
- n. To recommend the admission of new Associate Members and Collaborator Members to the Assembly for consideration and approval, as well as the suspension or termination of memberships.
- o. To appoint a well-known auditing firm for the Association, and report its designation to the Assembly.
- p. To supervise, on an annual basis, the compliance evaluations with institutional policies and procedures.
- q. To oversee the Board Committees.
- r. To implement the actions that it deems appropriate for the Association.

Article 21. - Meetings of the Board of Directors

The Board of Directors will meet whenever summoned by the Chairman or at least two other Directors. The Chairman shall summon the Board of Directors to meet at least twice between Annual Assemblies.

A quorum shall exist when more than 50% of the Directors and either the Chairman or Vice-Chairman are present. Resolutions shall be adopted by more than 50% of the Directors who are present. In case of a tie, the person responsible for presiding over the meeting shall have the deciding vote. The Board of Directors may meet at the place chosen by its Members, and it may invite other Associate Members or Collaborator Members to attend the meeting as observers. In the absence of the Chairman, the Vice-Chairman shall preside over the meetings of the Board of Directors.

The Board of Directors shall adopt a Board of Directors Handbook of the Association that will govern its operation complementing the rules set forth in these Bylaws. Among other aspects, the Handbook shall cover, at least, the protocol for defining the Agenda for the meetings, the terms for sending documentation for the meetings, and the system for voting on and recording the resolutions.

The Minutes from each Meeting shall be recorded in the Minutes Book for the meetings of the Board of Directors.

Article 22. - Adoption of Board Matters Outside of a Meeting

The Board of Directors may exercise its delegated faculties to adopt resolutions without holding a meeting of the Board if all the Directors unanimously approve that action in writing. The Secretary



General shall archive the supporting documents for the decisions and resolutions that were adopted. Those consents shall be considered equal to a vote in a meeting of the Board of Directors for all purposes.

Article 23. - Participating in Meetings of the Board through Teleconferencing

The Board of Directors may allow its members to participate in a meeting of the Board of Directors through telephone or similar communication equipment that allows all persons participating in the meeting to communicate with each other simultaneously. The participation through these types of media shall be equal to attending the meeting in person, as long as the member in question signs the attendance list of the session's Minutes.

Article 24. - Board Committees

The Board of Directors; shall have at least the following consultative committees:

- a. Executive Committee
- b. Audit Committee
- c. Technical Committee
- d. Technical Training and Cooperation Committee

The Board of Directors may organize other temporary committees, as needed.

The Committee's composition, objectives, and responsibilities shall be adopted by resolution of the Board and listed in their respective Charters.

The Board of Directors shall make Committee appointments based on the recommendations made by a Regional Director. The Vice-Chairman shall preside over the Executive Committee. The Chairmen of the Audit Committee, Technical Committee and the Technical Training and Cooperation Committee may or may not be members of the Board. The Committees shall have at least three representatives from regional groups. The Committee appointments shall have a term of two years and may be renewed with the consent of the Board.

Article 25. - The Secretary General

The Secretary General is the chief executive responsible for the general management of the Association. The Board shall follow the procedures for the Management Succession Plan approved to select the Secretary General. The position of Secretary General shall be managed by a contract for a fixed term. Six months prior to the termination of the contract, the Board shall begin to negotiate the terms of a new contract.

The Secretary General shall be responsible for the following core responsibilities:

- a. Prepare the strategic plan for consideration by the Board of Directors.
- b. Prepare an Annual Operational Plan and the corresponding Budget, in line with the strategic plan approved by the Board of Directors.
- c. Prepare the Annual Report for approval by the Board of Directors at the end of each management cycle.

- d. Implement and manage the Association's Annual Operational Plan and Budget in strict compliance with the internal policies and regulations approved by the Board of Directors.
- e. Hire and remove staff members of the Secretariat General and others under his or her direct authority, in accordance with the policies established by the Board of Directors.
- f. Select and hire external services to fulfill the duties delegated to the Secretary General, within the directives established by the Board of Directors and/or the Assembly. The Board of Directors shall establish the quantitative limits and the procedures to be followed by the Secretary General when hiring external services.
- g. Maintain the files and all of the institutional information in an orderly and transparent manner, in accordance with the policies adopted by the Board of Directors.
- h. Collaborate with the Board of Directors and the Assembly to implement the programs and projects approved and authorized by the Board of Directors or the Assembly.
- i. Establish and implement a procedure for an annual compliance review of the regulations applicable to the Association.
- j. Fulfill any other duties that the Board of Directors shall delegate to the Secretary General via resolution.

V. Coverage of Association Expenditure

Article 26. - The Association's expenses shall be covered as follows:

- a. With the contributions of the Associate Members;
- b. With the contributions of the Collaborator Members; and
- c. By resolution of the Board, any other income, including income derived from the Association's equity.

The contributions of the Associate Members and the Collaborator Members shall be calculated in accordance with the procedures established by resolution of the Board and approval of the Assembly.

The Association may not pursue for-profit activities at any time, nor engage in activities involving commercial speculation.

The Association's equity may be comprised of:

- a. The ordinary or extraordinary contributions in goods, rights, and services, made by each of the Associate Members or Collaborator Members to achieve its corporate purposes.
- b. Public supports, benefits, or incentives granted.
- c. Movable and immovable property, real or personal rights that the Association acquires by any title or concept to carry out its corporate purpose.
- d. Resources obtained as part of the fulfillment of the Association's purposes, as well as the interests, products or accessions attained by its resources or equity. And
- e. All of the other income it receives.



Neither the Associate Members nor the Collaborator Members who contribute to the Association's equity may, at any time or under any circumstance, request the return of their contributions which they have delivered to it for any reason, since they shall be considered transfers of dominion that are irrevocable and final. Therefore, if an Associate Member or Collaborator Member voluntarily separates from the Association or is excluded from it for any of the reasons stipulated in these Bylaws, it shall lose any contribution it may have made to the Association without the right to request any compensation in its favor, and shall be excluded from all the benefits and rights that may have corresponded to it by its association.

VI. Dissolution and Liquidation

Article 27. - The dissolution of the Association may be agreed at any time by two-thirds of the Associate Members. The dissolution shall be carried out in accordance with the resolutions that are adopted for that purpose by the majority of the Assembly. Once the Association is dissolved, it shall enter liquidation and the Assembly shall appoint one or several liquidators who shall be granted the same faculties that these Bylaws confer upon the Board of Directors, which shall lose its faculties.

The liquidation shall be carried out in accordance with the following guidelines:

- I. Operations shall continue in the most convenient manner to the Association, recovering receivables and paying debts.
- II. The liquidation financial statement shall be prepared and must be approved by the Assembly.
- III. If, after covering the Association's commitments and returning the contributions to the Associate Members, any assets remain, they shall be considered profits and shall be distributed among the Associate Members in proportion to their contributions.

VII. General Provisions

Article 28. - Official languages of the Association

The official languages of the Association are English and Spanish. All the meetings, communications, and official documents sent to the Board and the Associate Members must be made in English and Spanish.

Article 29. - Bylaw Amendments

The procedures for amending these Bylaws are the following:

- a. Any of the following individuals may submit proposals to the Board of Directors for consideration:
 - i. The Chairman of the Board of Directors;
 - ii. Two or more Directors; or
 - iii. At least three Associate Members who are not directors.



- b. The Board of Directors shall recommend the proposed Bylaw amendment to the Assembly if more than 50% of the Board Members approve the proposal.
- c. The Assembly in which the Bylaw amendment shall be debated must have quorum of two-thirds of the Associate Members. To adopt an amendment, more than 50% of the Associate Members present must vote in favor of the amendment.
- d. The Bylaw amendments shall enter into force on the date they are adopted by the Assembly unless the Assembly indicates otherwise

The Chairman of the Board of Directors and the Secretary General shall be responsible for finalizing and registering the amendments approved by the Assembly. The Chairman shall also ensure that the amended version is duly distributed among the Members.

Article 30. - Resolution of Disputes and Claims

Any dispute or claim that may arise or that is related to these Bylaws, or any document or instrument that is related hereto, or any violation of the Bylaws shall be subject to the jurisdiction of the competent courts of the corporate address, expressly waiving any other jurisdiction to which the Associate Member may be subject to by its present or future domicile or for any other reason that may arise.

Article 31. - For any matter not provided for in these Bylaws, the provisions of the Civil Code for the Mexico City and other legal standards in force in the United Mexican States and its courts shall apply.

Article 32. - The fiscal year shall run from the first day of January to the thirty-first day of December of each year, except for the first fiscal year that shall begin on the signing date of the Articles of Incorporation of the Association until the thirty-first day of December of the same fiscal year.