

2° INVESTING INITIATIVE

Rules of Procedure

June 17, 2014

The following is a translation of the original French "Règlement Intérieur" and as such does not constitute an official statement of the rules of procedure. In case of any discrepancies between this document and the original 'Règlement Intérieur,' the original document shall be considered correct.

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The present Rules of Procedure of the Association 2° Investing Initiative [2°ii], as provided in Article 21 of the Statutes of Association, is intended to regulate various elements not covered by the said laws, including those relating to the internal administration of the Association.

Adherence to statutes implies full adherence to the Rules. This Regulation shall be communicated to all members of the Association. Any amendment approved by the Board of Directors will be released immediately to members.

The Rules shall be prepared and approved by the Board of Directors.

ARTICLE 1 - Accuracy of the means

To achieve its objectives, as defined in Article 2 of the bylaws, the Association provides as a means of action, neither exclusive nor exhaustive:

- The production and publication of notes, articles, studies and reports,
- The organization, animation and participation in conferences and working groups,
- Participation in the consultation process and working groups organized by the government,
- Coordination of publications and research projects,
- Participation in various analyses and research which may lead to publications,
- Organizing exchanges of any kind (know-how, data, bibliography, etc.),
- Representation in various bodies.

ARTICLE 2 - Representation of the Association

To ensure consistency in comments sent by the association, only the Board Directors, the employees, volunteers and staff employees with the express mandate of the President can speak publicly on behalf of the Association. In any case, especially during technical conferences, a member of the Association of the Scientific Committee may be required to represent the Association in coordination with the Bureau under the validation of the President. All Association members are free to speak on their behalf on the topics covered by the Association claiming their membership status, while differentiating between their own personal position and the position of the Association.

ARTICLE 3 - Communication and position of the Association

Within the limits of its purpose and the guidelines set annually by the Board of Directors, the Association may be required to produce recommendations, such as suitable developments in

investment strategy or regulatory developments. These positions are not binding on members. Similarly, when they speak, representatives of the Association do not represent the member organizations.

Participation in the Association as a Member has no involvement other than the payment of the contribution and support of the work and discussions held by the Association. It does not imply that Member organizations implement what is proposed by the Association nor defend similar positions to the government. Reflections and recommendations produced by the Association are a "raw material" that each Member is free to reuse and transform at will through its own activity.

ARTICLE 4 - Delegation of powers of the President

The President may delegate some of his or her powers to another member of the Board or an employee of the Association. These delegations are formalized in writing and are subject to disclosure to the Board of Directors.

ARTICLE 5 - Terms of membership dues

5.1. Conditions of Membership

As stated in the statutes, applications for membership must be approved by the Board of Directors.

5.1.1. Choice of Category [**collège**]

The candidate for membership must specify the category in which he wishes to be admitted. The Board of Directors shall decide on the relationship between the activity of the candidate and the category in question. In cases where a candidate has multiple activities that may permit acceptance into more than one of the categories, the Board of Directors will decide into which category to place the candidate and shall provide justification of its decision if the category is different from that requested by the applicant.

The Board uses the following definitions in the process of placing a Member into a category:

Category 1 – Investors [Investisseurs]

This category is reserved for **legal persons** and is intended to accommodate primarily financial institutions.

Category 2 – Issuers [Emetteurs]

This category is reserved for **legal persons** and is intended to accommodate primarily issuers, whether businesses or territorial authorities. In this way are concerned all the actors that can make the connection between the purpose of the Association and their own funding needs.

Category 3 - Associations of General Interest [Associations d'intérêt général]

This category is reserved for **legal persons**, and is intended to accommodate primarily the associations under the French "law of 1901" targeting the "general interest". The criteria used to define the "general interest" are those of the French tax authorities. Particular attention is given

to sources of funding, specifically that organizations in this category should derive most (> 50%) of their funding neither from business or the sale of services. Associations and Non-Governmental Organizations that are not recognized for the general interest are attached to another category. In case the French criteria for the recognition of general interest are not applicable (e.g. a U.S. structure), the Board shall analyze the statutes and governance of the candidate in order to place it into the appropriate category. In case the body concerned derives most (> 50%) of its finances from enterprise or the sale of services, the Board will place the candidate into the appropriate category.

Category 4 - Public and Governmental organizations [Organismes publics et gouvernementaux]

This category is reserved for **legal persons**. Included in this category are public and governmental agencies that can not be attached to another category. A financial institution under public law or under government control will be, for example, attached to the Investor Category (cat.1). A public research laboratory or a public university will be attached to the category Organizations of Research and Expertise (cat.5).

Category 5 - Organizations of Research and Expertise [Organismes de recherche et d'expertise]

This category is reserved for **legal persons**. Included in this category and considered as expert and research organizations, are companies that provide data, notes or services to investors and economic decision-makers and organizations doing work in academic or applied research, especially on topics related to the financial sector and/or energy transition.

Category 6 – Individuals [Personnes physiques]

This category is restricted to **natural persons**. Any person may become a Member of the Association as an individual, under the terms of admission as described above, without specific expertise or professional activity.

5.1.2. Refusal of admission

As enshrined in Article 6 of the Statutes of the Association, the refusal of admission is motivated by the Board of Directors.

In general, the Association is open to all legal or natural persons working to achieve its objectives, as enshrined in Article 2 of the Statutes. Refusal of admission as a member could thus include the following elements:

- An absence of a link between the profile and activities of the applicant and the purpose of the Association,
- A risk that the applicant member could weaken the Association in the pursuit of its purpose, for example because of the applicant's public position or its negative role found in similar collaborative mechanisms.

5.2. Membership dues, grants and donations

5.2.1. Definition and payment of annual dues

Membership dues allow to acquire the status of Active Member for the current fiscal year. The amount is set at the beginning of the fiscal year by the Board of Directors. In the absence of a meeting of the Board within two months after the start of the fiscal year, the amounts are those of the previous year.

Contributions must be paid within 30 days after the provisional acceptance of membership by representatives of the Association. In the case of a refusal of the Board to endorse this decision, the Association will have 30 days to make a full refund of the member.

In order not to hinder the recruitment of new members during or at the end of the fiscal year, the Bureau has the power to adjust the amount of the contribution. In this case, each new member will have to pay at the time of joining the association the contribution provided for the entire year, but the excess amount, prorated for the elapsed time for the current year will be deducted from the contribution of the following year if the member continues to hold membership. This feature does not apply for membership as a Benefactor Member.

5.2.2. Fees

The amount of the annual membership fee is determined by the category of the member and the size of the organization. This last criterion is based for companies on the definitions adopted by the European Union, and for financial companies is based on the amount of assets under management. The objective of this "graduated pricing" is to make a financial contribution consistent with the member's financial capacity. The amount of the fee is not linked to the involvement of members in the life and work of the association.

Joint financing obtained under such a partnership on a research project does not count towards the contribution.

Amount of Contribution					
1- Investors	2- Issuers	3- Associations of Public Interest	4- Public and Governmental Organizations	5- Organizations of Research and Expertise	6- Individuals*
Assets Under Management <50M€ : 120€	Microenterprise ^(**) 120€	120€	120€	Public Organizations and SMEs ^(**) : 120€	60€ ^(*)
Assets Under Management 50M€ - 500M€ :	Collectivities and SMEs ^(**) :				

5.000€	5.000€				
Assets Under Management >500M€ : 30.000€	Large Enterprises ^(**) : 30.000€			Large Enterprises ^(**) : 5.000€	

(*) In exceptional cases, the Board of Directors may decide to waive an individual member contribution for a period of one year, when first joining or renewal. This responds in particular to the objective to thank such members for outstanding service to the Association. This provision shall not in any way call into question the balance of the budget of the Association and may only be a temporary measure and marginal in terms of amount.

(**) The definition used to determine the threshold between big business and small business is the one used by the European Union.

5.2.3. Benefactor Members

The Board sets the minimum amount each year (annual fee + donation or subsidy) that a member must pay to obtain the status of Benefactor Member. This amount is set at a minimum of:

- € 50,000 in 2013
- € 150,000 over 3 years from 2014

5.2.4. Contributions in kind

Organizations or individual Association members can contribute in kind to its work in two ways:

- By making facilities available to the association (local, rooms, equipment, management of printing, mailing, delivery, etc.).
- By making resources available to the association (staff time or their own time for individuals).

These contributions are valued in the accounts of the Association. The value suggested by the contributor may be revised by the Board of Directors.

The provision of means can be used to calculate the equivalent amount to acquire the status of Benefactor Member, to the extent that the financial assessment is carried out upstream of the provision and application for the status of Member. The decision to treat or not a contribution in kind in granting the status returns to the Board of Directors.

5.3. Cross-memberships

In the case of cross-membership between 2°ii and another association, the Board of Directors may provide for an exemption from payment of dues to the association that wishes to join in exchange for a reciprocal process where 2°ii is exempted from the payment of dues for membership in the association.